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COMPILATION

OF

Soil Conservation and Domestic Allotment Act, Agricultural Adjustment Act of 1938, Federal Crop Insurance Act, Sugar Act of 1948, Agricultural Act of 1949, Commodity Credit Corporation Charter Act, Related Appropriation Items, and Miscellaneous Laws, including amendments

AS OF JANUARY 1, 1953



COMPILED UNDER THE DIRECTION
OF THE SOLICITOR

AGRICULTURE HANDBOOK NO. 49

**PRODUCTION AND MARKETING ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE**

COMPILATION

OF

**Soil Conservation and Domestic Allotment Act,
Agricultural Adjustment Act of 1938, Federal
Crop Insurance Act, Sugar Act of 1948,
Agricultural Act of 1949, Commodity Credit
Corporation Charter Act, Related Appropri-
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Prefatory Note

This is a compilation of the provisions of the several acts in effect on January 1, 1953. Complete citations to the United States Statutes at Large and detailed explanation of amendments to certain provisions have been omitted. In copying the various acts some abbreviations have been used and most numbers have been expressed in figures rather than in words. Part VI of the compilation, containing appropriation items for the fiscal years 1947 to 1953, inclusive, supplements the appropriation items for the fiscal years 1937 to 1946, inclusive, appearing in a compilation issued by the Agricultural Adjustment Agency as of July 1, 1945.

Citations to the United States Code at the end of sections and subsections are to the 1946 edition of the Code and Supplement V thereto.

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SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

EXPLANATORY NOTE

Sections 1 to 6, which were enacted April 27, 1935 (49 Stat. 163), vested certain powers in the Secretary of Agriculture with respect to the control and prevention of soil erosion and provided for the Soil Conservation Service to be established as the agency to exercise such powers.

Sections 7 to 17 were enacted February 29, 1936 (49 Stat. 1148), to replace, in part, certain provisions of the Agricultural Adjustment Act (of 1933) which were invalidated by the Supreme Court on January 6, 1936. Section 17 provides that the entire Act may be cited as the "Soil Conservation and Domestic Allotment Act." Under the agricultural conservation program formulated pursuant to sections 7 to 17 of the Act, farmers are assisted through payments and grants of aid in carrying out approved soil and water conservation measures. The authority of the Secretary to carry out the program on a national basis was originally limited by section 7 (a) to a period of 2 years, during which time it was expected that a majority of the States would enact legislation relating to State plans as provided for in section 7 of the Act. Less than half of the States have enacted the necessary legislation, and the Congress has extended from time to time the Secretary's authority to administer the program on a national basis. Under the amendment included in this compilation, the Secretary's authority expires December 31, 1954.

PART I

SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

AN ACT

To provide for the protection of land resources against soil erosion, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is hereby recognized that the wastage of soil and moisture resources on farm, grazing, and forest lands of the Nation, resulting from soil erosion, is a menace to the national welfare and that it is hereby declared to be the policy of Congress to provide permanently for the control and prevention of soil erosion and thereby to preserve natural resources, control floods, prevent impairment of reservoirs, and maintain the navigability of rivers and harbors, protect public health, public lands and relieve unemployment, and the Secretary of Agriculture, from now on, shall coordinate and direct all activities with relation to soil erosion and in order to effectuate this policy is hereby authorized, from time to time—

(1) To conduct surveys, investigations, and research relating to the character of soil erosion and the preventive measures needed, to publish the results of any such surveys, investigations, or research, to disseminate information concerning such methods, and to conduct demonstrational projects in areas subject to erosion by wind or water;

(2) To carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land;

(3) To cooperate or enter into agreements with, or to furnish financial or other aid to, any agency, governmental or otherwise, or any person, subject to such conditions as he may deem necessary, for the purposes of this Act; and

(4) To acquire lands, or rights or interests therein, by purchase, gift, condemnation, or otherwise, whenever necessary for the purposes of this Act. (16 U. S. C. 590a.)

LANDS ON WHICH PREVENTIVE MEASURES MAY BE TAKEN

SEC. 2. The acts authorized in section 1 (1) and (2) may be performed—

(a) On lands owned or controlled by the United States or any of its agencies, with the cooperation of the agency having jurisdiction thereof; and

(b) On any other lands, upon obtaining proper consent or the necessary rights or interests in such lands (16 U. S. C. 590b).

2 SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

BENEFITS FOR NON-GOVERNMENT CONTROLLED LANDS

SEC. 3. As a condition to the extending of any benefits under this Act to any lands not owned or controlled by the United States or any of its agencies, the Secretary of Agriculture may, insofar as he may deem necessary for the purposes of this Act, require—

(1) The enactment and reasonable safeguards for the enforcement of State and local laws imposing suitable permanent restrictions on the use of such lands and otherwise providing for the prevention of soil erosion;

(2) Agreements or covenants as to the permanent use of such lands; and

(3) Contributions in money, services, materials, or otherwise, to any operations conferring such benefits (16 U. S. C. 590c).

PERSONNEL

SEC. 4. For the purposes of this Act, the Secretary of Agriculture may—

(1) Secure the cooperation of any governmental agency;

(2) Subject to the provisions of the civil-service laws and the [Classification Act of 1949], appoint and fix the compensation of such officers and employees as he may deem necessary, except for a period not to exceed 8 months from the date of this enactment, the Secretary of Agriculture may make appointments and may continue employees of the organization heretofore established for the purpose of administering those provisions of the National Industrial Recovery Act which relate to the prevention of soil erosion, without regard to the civil-service laws or regulations and the Classification Act, as amended; and any person with technical or practical knowledge may be employed and compensated under this Act on a basis to be determined by the Civil Service Commission; and

(3) Make expenditures for personal services and rent in the District of Columbia and elsewhere, for the purchase of lawbooks and books of reference, for printing and binding, for the purchase, operation, and maintenance of passenger-carrying vehicles, and perform such acts, and prescribe such regulations, as he may deem proper to carry out the provisions of this Act (16 U. S. C. 590d).

ESTABLISHMENT OF SOIL CONSERVATION SERVICE

SEC. 5. The Secretary of Agriculture shall establish an agency to be known as the "Soil Conservation Service,"¹ to exercise the powers conferred on him by this Act and may utilize the organization heretofore established for the purpose of administering those provisions of sections 202 and 203 of the National Industrial Recovery Act which relate to the prevention of soil erosion, together with such personnel thereof as the Secretary of Agriculture may determine, and all unexpended balances of funds heretofore allotted to said organization shall be

¹ Functions of Soil Conservation Service in Department of Agriculture with respect to soil and moisture conservation operations conducted on lands under jurisdiction of Department of the Interior were transferred to the Department of the Interior, to be administered by the Secretary of the Interior through such agency or agencies in the Department of the Interior as the Secretary shall designate, by Reorganization Plan No. IV, Sec. 6, effective June 30, 1940, 5 F. R. 2421, 54 Stat. 1235, 5 U. S. C. 133t (Note).

available until June 30, 1937, and the Secretary of Agriculture shall assume all obligations incurred by said organization prior to transfer to the Department of Agriculture. In order that there may be proper coordination of erosion-control activities the Secretary of Agriculture may transfer to the agency created under this Act such functions, funds, personnel, and property of other agencies in the Department of Agriculture as he may from time to time determine (16 U. S. C. 590e).

APPROPRIATION AUTHORIZED

SEC. 6. There are hereby authorized to be appropriated for the purposes of this Act such sums as Congress may from time to time determine to be necessary. Appropriations for carrying out this Act allocated for the production or procurement of nursery stock by any Federal agency, or funds appropriated to any Federal agency for allocation to cooperating States for the production or procurement of nursery stock, shall remain available for expenditure for not more than 3 fiscal years (16 U. S. C. 590f).

[PUBLIC LAW 412, Seventy-eighth Congress—SEC. 302 (b). The Soil Conservation Service may sell and distribute supplies, materials, and equipment to other Government activities, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured from the appropriations chargeable with the cost or value of such supplies, materials, or equipment (16 U. S. C. 590q-1).]

AGRICULTURAL CONSERVATION POLICY AND ENUMERATION OF PURPOSES

SEC. 7. (a) It is hereby declared to be the policy of this Act also to secure, and the purposes of this Act shall also include, (1) preservation and improvement of soil fertility; (2) promotion of the economic use and conservation of land; (3) diminution of exploitation and wasteful and unscientific use of national soil resources; (4) the protection of rivers and harbors against the results of soil erosion in aid of maintaining the navigability of waters and water courses and in aid of flood control; and (5) reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909–July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture. and the maintenance of such ratio. The powers conferred under sections 7 to 14, inclusive, of this Act shall be used to assist voluntary action calculated to effectuate the purposes specified in this section. Such powers shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any

4 SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

general class of food commodities. In carrying out the purposes of this section due regard shall be given to the maintenance of a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers (16 U. S. C. 590g (a)).

GRANTS TO STATES

(b) The Secretary of Agriculture shall cooperate with States, in the execution of State plans to effectuate the purposes of this section, by making grants under this section to enable them to carry out such plans (16 U. S. C. 590g (b)).

SUBMISSION OF STATE PLANS

(c) Any State which submits to the Secretary, prior to such time and in such manner and form as the Secretary prescribes, a State plan to effectuate the purposes of this section shall be entitled to payments, as provided in this section, for the year to which such plan is applicable, if such plan is approved by the Secretary as provided in this section (16 U. S. C. 590g (c)).

REQUIREMENTS OF STATE PLANS

(d) No such plan shall be approved unless by its terms :

(1) It provides that the agency to administer the plan shall be such State agency as may be designated by the Secretary if such agency is authorized by the State, or such other State agency as is authorized by the State and approved by the Secretary ;

(2) It provides for such methods of administration, and such participation in the administration of the plan by county and community committees or associations of agricultural producers organized for such purpose, as the Secretary finds necessary for the effective administration of the plan ; and

(3) It provides for the submission to the Secretary of such reports as he finds necessary to ascertain whether the plan is being carried out according to its terms, and for compliance with such requirements as the Secretary may prescribe to assure the correctness of and make possible the verification of such reports (16 U. S. C. 590g (d)).

APPROVAL OF STATE PLANS

(e) Such plan shall be approved if the Secretary finds that there is a reasonable prospect that—

(1) Substantial accomplishment in effectuating the purposes of this section will be brought about through the operation of such plan and the plans submitted by other States, and

(2) The operation of such plan will result in as substantial a furtherance of such accomplishment as may reasonably be achieved through the action of such State (16 U. S. C. 590g (e)).

ALLOCATION OF FUNDS FOR STATE PLANS

(f) Upon approval of any State plan for any year the Secretary shall allocate to such State such sum (not in excess of the maximum amount fixed in pursuance of subsection (g) for such State for such

year) as he finds necessary to carry out such plan for such year, and thereupon shall certify to the Secretary of the Treasury for payment to such agency of the State as the Secretary of Agriculture certifies is designated in the plan, and the Secretary of the Treasury shall pay to such agency, one-fourth of the amount so allocated. The remainder of the amount so allocated shall be similarly certified and paid in such installments (payable prior to the end of the calendar year) as may be provided in the plan. No such installment shall be certified for payment if the Secretary of Agriculture finds that, prior to the due date of such installment, there has been a substantial failure by the State to carry out the plan according to its terms, or that the further operation of the plan according to its terms will not tend to effectuate the purposes of this section. No amount shall be certified for payment under any such installment in excess of the amount the Secretary finds necessary for the effective carrying out of the plan during the period to which the installment relates (16 U. S. C. 590g (f)).

APPORTIONMENT OF FUNDS FOR SUCCEEDING YEAR STATE PLANS

(g) On or before November 1 of each year, the Secretary shall apportion among the several States the funds which will be available for carrying out State plans during the next calendar year, and in determining the amount to be apportioned to each State, the Secretary shall take into consideration the acreage and value of the major soil depleting and major export crops produced in the respective States during a representative period and the acreage and productivity of land devoted to agricultural production (including dairy products) in the respective States during a representative period: *Provided, however,* That any such apportionment of funds available for carrying out State plans during any year prior to 1942 may be made at any time prior to or during the year to which such plans relate. Notwithstanding the making of an apportionment to any State for any calendar year, the funds apportioned to any State for which no plan has been approved for such year, and any amount apportioned to any State which is not required to carry out an approved plan for such State for such year, shall be available for carrying out the provisions of sections 7 to 14, inclusive, of this Act (16 U. S. C. 590g (g)).

AUTHORITY OF SECRETARY TO MAKE PAYMENTS OR GRANTS OF AID DIRECTLY TO FARMERS

SEC. 8. (a) In order to carry out the purposes specified in section 7 (a) during the period necessary to afford a reasonable opportunity for legislative action by a sufficient number of States to assure the effectuation of such purposes by State action and in order to promote the more effective accomplishment of such purposes by State action thereafter, the Secretary shall exercise the powers conferred in this section during the period prior to January 1, 1955, except with respect to farming operations commenced in any State after the effective date of a State plan for such State approved pursuant to section 7. No such powers shall be exercised after December 31, 1954, except with respect to payments or grants in connection with farming operations carried out prior to January 1, 1955 (16 U. S. C. 590h (a); Public Law 365, 82d Cong., approved May 26, 1952, 66 Stat. 95).

6 SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

BASIS FOR PAYMENTS AND GRANTS OF AID: LOCAL, COUNTY, AND STATE COMMITTEES; CONSERVATION MATERIALS AND SERVICES

(b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or (5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be construed to cover water conservation and the beneficial use of water on individual farms, including measures to prevent runoff, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the services of local and State committees selected as hereinafter provided. The Secretary shall designate local administrative areas as units for administration of programs under this section. No such local area shall include more than one county or parts of different counties. Farmers within any such local administrative area, and participating or cooperating in programs administered within such area, shall elect annually from among their number a local committee of not more than three members for such area and shall also elect annually from among their number a delegate to a county convention for the election of a county committee. The delegates from the various local areas in the county shall, in a county convention, elect, annually, the county committee for the county which shall consist of three members who are farmers in the county. The local committee shall select a secretary and may utilize the county agricultural extension agent for such purpose. The county committee shall select a secretary who may be the county agricultural extension agent. If such county agricultural extension agent shall not have been elected secretary of such committee, he shall be ex officio a member of the county committee. The county agricultural extension agent shall not have the power to vote. In any county in which there is only one local committee the local committee shall also be the county committee. In each State there shall be a State committee for the State composed of not less than three or more than five farmers who are legal residents of the State and who are appointed by the Secretary. The State director of the Agri-

cultural Extension Service shall be ex officio a member of such State committee. The ex officio members of the county and State committees shall be in addition to the number of members of such committees hereinbefore specified. The Secretary shall make such regulations as are necessary relating to the selection and exercise of the functions of the respective committees, and to the administration, through such committees, of such programs. In carrying out the provisions of this section, the Secretary—shall, as far as practicable, protect the interests of tenants and sharecroppers; is authorized to utilize the agricultural extension service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing Acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases: (a) Soil-depleting crops and practices, (b) soil-building crops and practices.

Notwithstanding any other provision of law, in making available conservation materials consisting of seeds, seed inoculants, fertilizers, liming and other soil-conditioning materials, trees, or plants, or in making available soil-conserving or soil-building services, to agricultural producers under this subsection, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or covering soil-conserving or soil-building services, furnished to producers at not to exceed a fair price fixed in accordance with regulations to be prescribed by the Secretary, or who render services to the Secretary in delivering to producers approved conservation materials, for the carrying out, by the producers, of soil-building or soil-conserving practices approved by the Secretary.

Appropriations are hereby authorized for the purchase in advance of the program year for which the appropriation is made of seeds, fertilizers, lime, trees, or any other farming materials or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary in programs under this Act; for the reimbursement of any Federal, State, or local government agency for fertilizers, seeds, lime, trees, or other farming materials, or any soil-terracing services, furnished by such agency; and for the payment of all expenses necessary in making such grants, including all or part of the costs incident to the delivery thereof (16 U. S. C. 590h (b)).

APPORTIONMENT OF ACREAGE ALLOTMENTS

(c) (1) In apportioning acreage allotments under this section in the case of wheat and corn, the national and State allotments and the allotments to counties shall be apportioned annually on the basis of the acreage seeded for the production of the commodity during the

ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

(2) In the case of wheat, the allotment to any county shall be apportioned annually by the Secretary, through the local committees, among the farms within such county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 per centum of such county allotment shall be apportioned to farms on which wheat has not been planted during any of the three marketing years immediately preceding the marketing year in which the allotment is made. Notwithstanding any other provision of this section, the allotments established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national-defense purposes shall be placed in an allotment pool and shall be used only to establish allotments for other farms owned or acquired by the owner of the farm so acquired by the United States. The allotments so made for any farm, including a farm on which wheat has not been planted during any of the three marketing years preceding the marketing year in which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of wheat.

[PUBLIC LAW 12, Seventy-ninth Congress.— * * * in establishing acreage allotments under subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, or under the Soil Conservation and Domestic Allotment Act, as amended, the Secretary of Agriculture, under regulations prescribed by him, may provide that for any crop year (beginning with the crop year 1945) during the present emergency [terminated July 25, 1947, 61 Stat. 451] any farm, with respect to which a cotton, wheat, or peanut allotment was established for the 1942 crop shall be regarded as a farm on which cotton, wheat, or peanuts, as the case may be, were planted and grown, if the Secretary determines that, with respect to cotton or wheat, because of the production of war crops designated by him on such farm, or, with respect to cotton, wheat, or peanuts, because the owner or operator was serving in the armed forces of the United States, the cotton, wheat, or peanut production history of the farm for such year is not representative of the normal history of the farm.

The Secretary may also provide with respect to any such farm that the past acreage of peanuts shall be adjusted upward to the extent that the acreage used for growing peanuts on such farm in such year is below the normal history of the farm (February 28, 1945, 59 Stat. 9).]

(3) In the case of corn, the allotment to any county shall be apportioned annually by the Secretary, through the local committees, among the farms within such county on the basis of tillable acreage, type of soil, topography, and crop-rotation practices.

(4) (Repealed by 53 Stat. 573.)

(5) In determining normal yield per acre for any county under this section in the case of wheat or corn, the normal yield shall be the average yield per acre therein for such commodity during the ten calendar years immediately preceding the calendar year in which such yield is determined, adjusted for abnormal weather conditions

and trends in yields. If for any reason, there is no actual yield, or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with regulations of the Secretary, shall be used. If, on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield in any year of such ten-year period is less than 75 per centum of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre. Such normal yield per acre for any county need be redetermined only when the actual average yield for the ten calendar years immediately preceding the calendar year in which such yield is being reconsidered differs by at least 5 per centum from the actual average yield for the ten years upon which the existing normal yield per acre for the county was based.

(6) In determining normal yield per acre for any farm under this section in the case of wheat or corn, the normal yield shall be the average yield per acre thereon for such commodity during the ten calendar years immediately preceding the calendar year in which such yield is determined, adjusted for abnormal weather conditions and trends in yields. If for any such year the data are not available, or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, and the yield in years for which data are available (16 U. S. C. 590h (c)).

CONDITIONS AFFECTING PAYMENTS OR GRANTS OF AID

(d) Any payment or grant of aid made under subsection (b) shall be conditioned upon the utilization of the land, with respect to which such payment is made, in conformity with farming practices which the Secretary finds tend to effectuate any one or more of the purposes specified in clause (1), (2), (3), (4), or (5) of section 7 (a).

Any payment made under subsection (b) with respect to any farm (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be permanently used for grazing purposes only) shall, if the number of cows kept on such farm, and in the county in which such farm is located, for the production of milk or products thereof (for market), exceeds the normal number of such cows, be further conditioned upon the utilization of the land, with respect to which such payment is made, so that soil-building and soil-conserving crops planted or produced on an acreage equal to the land normally used for the production of soil-depleting crops but, as a condition of such payment, not permitted to be so used, shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market. Whenever it is determined that a county, as a whole, is in substantial compliance with the provisions of this paragraph, no payment shall be denied any individual farmer in the county by reason of this paragraph; and no payment shall be denied a farmer by reason of this paragraph unless it has been determined that the farmer has not substantially complied with the provisions of this paragraph. Whenever the Secretary finds that by reason of drought, flood, or other disaster, a shortage of feed exists in any area, he shall so declare, and to the extent and for the

period he finds necessary to relieve such shortage, the operation of the condition provided in this paragraph shall be suspended in such area and, if necessary to relieve such shortage, in other areas defined by him. As used in this paragraph, the term "for market" means for disposition by sale, barter, or exchange, or by feeding (in any form) to dairy livestock which, or the products of which, are to be sold, bartered or exchanged; and such term shall not include consumption on the farm. An agricultural commodity shall be deemed consumed on the farm if consumed by the farmer's family, employees, or household, or if fed to poultry or livestock other than dairy livestock on his farm; or if fed to dairy livestock on his farm and such dairy livestock, or the products thereof, are to be consumed by his family, employees, or household. Whenever the Secretary has reason to believe the income of producers of livestock (other than dairy cattle) or poultry in any area from such sources is being adversely affected by increases in the supply for market of such livestock or poultry, as the case may be, arising as a result of programs carried out under this Act, he shall make an investigation with respect to the existence of such facts. If, upon investigation, the Secretary finds that the income of producers of such livestock or poultry, as the case may be, in any area from any such source is being adversely affected by such increases, he shall, as soon as practicable, make such provisions in the administration of this Act with respect to the use of diverted acres as he may find necessary to protect the interests of producers of such livestock or poultry in the affected area (16 U. S. C. 590h (d)).

DIVISION OF PAYMENTS AMONG LANDLORDS, TENANTS, AND SHARECROPPERS

(e) Payments made by the Secretary to farmers under subsection (b) shall be divided among the landlords, tenants, and sharecroppers of any farm, with respect to which such payments are made, in the same proportion that such landlords, tenants, and sharecroppers are entitled to share in the proceeds of the agricultural commodity with respect to which such payments are made, or, effective with respect to the 1942 and subsequent farm programs, in the event of acquisition of title to, or lease of, any farm for use in connection with the national war effort which caused the producers on such farms to lose, prior to the time of harvest, their interests in the crops planted thereon, or the proceeds thereof, payments with respect to such crops, to the extent that full compensation for the loss of payments with respect thereto in connection with such acquisition or lease was not made to such producers, shall be divided among the landlords, tenants, and sharecroppers on such farm in the proportion which it is determined that such producers would have been entitled to share in the proceeds of such crops but for such acquisition or lease: *Provided*, That payments based on soil-building or soil-conserving practices shall be divided in proportion to the extent which such landlords, tenants, and sharecroppers contribute to the carrying out of such practices. Such payments shall be paid by the Secretary directly to the landlords, tenants, or sharecroppers entitled thereto, and shall be computed at rates which will permit the Secretary to set aside out of the funds available for the making of such payments for each year an amount sufficient to permit the increases herein specified to

be made within the limits of the funds so available. If with respect to any farm the total payment to any person for any year would be:

- (1) Not more than \$20, the payment shall be increased by 40 per centum;
- (2) More than \$20 but not more than \$40, the payment shall be increased by \$8, plus 20 per centum of the excess over \$20;
- (3) More than \$40 but not more than \$60, the payment shall be increased by \$12, plus 10 per centum of the excess over \$40;
- (4) More than \$60 but not more than \$186, the payment shall be increased by \$14; or
- (5) More than \$186 but less than \$200, the payment shall be increased to \$200.

In the case of payments of more than \$1, the amount of the payment which shall be used to calculate the 40-, 20-, and 10-per-centum increases under clauses (1), (2), and (3) shall not include that part, if any, of the payment which is a fraction of a dollar.

Beginning with the calendar year 1939, no total payment for any year to any person under such subsection (b) shall exceed \$10,000. In the case of payments made to any individual, partnership, or estate on account of performance on farms in different States, Territories, or possessions, the \$10,000 limitation shall apply to the total of the payments for each State, Territory, or possession, for a year and not to the total of all such payments. [See further payment limitations contained in Department of Agriculture Appropriation Acts, fiscal years 1948, 1949, 1950, 1951, 1952, and 1953, pages 133, 136, 139, 142, 144, 147, of this compilation.]

Persons who carry out farming operations as tenants or sharecroppers on cropland owned by the United States Government and who comply with the terms and conditions of the conservation program, formulated pursuant to sections 7 to 17, inclusive, of this Act, as amended, shall be entitled to apply for and receive payments, or to retain payments heretofore made, for their participation in said program to the same extent as other producers (16 U. S. C. 590h (e)).

CHANGE BETWEEN LANDLORD AND TENANTS OR SHARECROPPERS AFFECTING LANDLORD'S PAYMENTS

(f) Any change in the relationship between the landlord and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants of other aid under subsection (b) that would otherwise be made to any landlord shall not operate to increase such payment or grant to such landlord. Any reduction in the number of tenants below the average number of tenants on any farm during the preceding three years that would increase the payments or grants of other aid under such subsection that would otherwise be made to the landlord shall not hereafter operate to increase any such payment or grant to such landlord. Such limitations shall not apply if on investigation the local committee finds that the change is justified and approves such change in relationship or reduction. Such action of local committees shall be subject to approval or disapproval by State committees (16 U. S. C. 590h (f)).

ASSIGNMENT OF PAYMENT

(g) A payment which may be made to a farmer under this section, may be assigned, without discount, by him in writing as security for cash or advances to finance making a crop. Such assignment shall be signed by the farmer and witnessed by a member of the county or other local committee, or by the treasurer or the secretary of such committee, and filed with the county agent or the county committee. Such assignment shall include the statement that the assignment is not made to pay or secure any preexisting indebtedness. This provision shall not authorize any suit against or impose any liability upon the Secretary or any disbursing agent if payment to the farmer is made without regard to the existence of any such assignment (16 U. S. C. 590h (g)).

[NAVAL STORES CONSERVATION PROGRAM.—In administering the naval stores conservation programs authorized in section 8 and in making payments thereunder to gum naval stores producers the Secretary may utilize the services of regional associations of such producers or any agency of the Government in lieu of the State, county, and other local committees utilized in the other agricultural conservation programs if he finds more efficient administration will result, and the provisions of section 388 (b) of the Agricultural Adjustment Act of 1938 shall otherwise be applicable to the administration of said naval stores conservation programs (16 U. S. C. 590h-1).]

SURVEYS, INVESTIGATIONS, AND REPORTS

SEC. 9. The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting, and methods of accomplishing most effectively, the policy and purposes of section 7 (a). Notwithstanding any provision of existing law, the Secretary is authorized to make public such information as he deems necessary to carry out the provisions of this Act. The Secretary shall transmit to the Congress a report, for the fiscal year ending June 30, 1937, and for each fiscal year thereafter, of the operations for such year under sections 7 to 14, inclusive, of this Act, which report shall include a statement of the expenditures made and obligations incurred, by classes and amounts (16 U. S. C. 590i).

DEFINITION OF AGRICULTURAL COMMODITY

SEC. 10. The term "agricultural commodity" as used in this Act means any such commodity and any regional or market classification, type, or grade thereof (16 U. S. C. 590j).

AVAILABILITY OF FUNDS

SEC. 11. All funds available for carrying out this Act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal or State Governments as the Secretary may request to cooperate or assist in carrying out this Act and for payments to committees or associations of producers in any region or regions to cover the estimated administrative expenses to be incurred by any such committee or association in cooperating in carrying out this Act: *Provided*, That the Secretary may prescribe that all or part of such estimated expenses of any such committee or association may be deducted pro rata from the payments or grants made to the members thereof: *And provided further*, That the Secretary may make such payments in advance of determination of performance (16 U. S. C. 590k).

EXPANSION OF MARKETS FOR AGRICULTURAL COMMODITIES AND ADVANCING FUNDS TO FEDERAL CROP INSURANCE CORPORATION

SEC. 12. (a) Whenever the Secretary finds that the exercise of the powers conferred in this section will tend to carry out the purpose specified in clause (5) of section 7 (a), or will tend to provide for and maintain a continuous and stable supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers, or both, he shall use such part as he deems necessary of the sums appropriated to carry out this Act for the expansion of domestic and foreign markets or for seeking new or additional markets for agricultural commodities or the products thereof or for the removal or disposition of surpluses of such commodities or the products thereof (16 U. S. C. 590l (a)).

(b) The Secretary is authorized to make advances to producers for the purpose of assisting them to insure their crops with the Federal Crop Insurance Corporation. The Secretary shall remit the amount of any such advances to a producer directly to such Corporation in payment of the premium on the insurance for which the producer has made application. Advances shall only be made to producers who are participating or who agree to participate in a program formulated pursuant to section 8. Except as otherwise provided in this subsection, the terms and conditions of such advances shall be fixed by the Secretary. In carrying out the provisions of this subsection, the Secretary may transfer to the Federal Crop Insurance Corporation, prior to the execution of applications for insurance or requests for advances by producers, the funds estimated as necessary to cover the advances which will be requested for the payment of premiums under a crop-insurance program, and any portion of such funds not used for advances to producers under such program shall be returned to the Secretary by the Federal Crop Insurance Corporation (16 U. S. C. 590l (b)).

EXECUTION OF POWERS OF SECRETARY BY PRODUCTION AND MARKETING ADMINISTRATION

SEC. 13. Notwithstanding the foregoing provisions of this Act, the Secretary is authorized and directed to provide for the execution by the Production and Marketing Administration of such powers conferred upon him under sections 7 to 14, inclusive, of this Act as he deems may be appropriately exercised by such Administration, and for such purposes the provisions of law applicable to the appointment and compensation of persons employed by the Production and Marketing Administration shall apply (16 U. S. C. 590m).

FINALITY OF DETERMINATIONS

SEC. 14. The facts constituting the bases for any payment or grant or the amount thereof authorized to be made under section 7 or 8 hereof, when officially determined in conformity with rules or regulations prescribed by the Secretary of Agriculture, shall be reviewable only by the Secretary of Agriculture (16 U. S. C. 590n).

APPROPRIATION AUTHORIZATION AND ALLOCATION OF FUNDS

SEC. 15. To enable the Secretary of Agriculture to carry out the purposes of sections 7 and 8 there is hereby authorized to be appropriated for any fiscal year not exceeding \$500,000,000.

14 SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT, AS AMENDED

The funds available for payments (after allowing for estimated administrative expenses, and not to exceed 5 per centum for payments with respect to range lands, noncrop pasture lands, and naval stores) shall be allocated among the commodities produced with respect to which payments or grants are to be computed. In allocating funds among the commodities the Secretary shall take into consideration and give equal weight to (1) the average acreages planted to the various commodities (including rotation pasture), for the 10 years 1928 to 1937, adjusted for abnormal weather and other conditions, including acreage diverted from production under the agricultural adjustment and soil conservation programs; (2) the value at parity prices of the production from the allotted acreages of the various commodities for the year with respect to which the payment is made; (3) the average acreage planted to the various commodities during the 10 years 1928 to 1937, including the acreage diverted from production under the agricultural adjustment and soil conservation programs, in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on average prices for the preceding 10 years of the production of the excess acreage determined under item (3). The rate of payment used in making payments to the producers of each commodity shall be such that the estimated payments with respect to such commodity shall equal the amount of funds allocated to such commodity as herein provided. For the purpose of allocating funds and computing payments or grants the Secretary is authorized to consider as a commodity a group of commodities or a regional or market classification of a commodity. For the purpose of computing payments or grants, the Secretary is authorized to use funds allocated to two or more commodities produced on farms of a designated regional or other classification to compute payments with respect to one of such commodities on such farms, and to use funds, in an amount equal to the estimated payments which would be made in any county, for making payments pursuant to a special program under section 8 approved by the Secretary for such county: *Provided*, That farm acreage allotments shall be made for wheat in 1938, but in determining compliance wheat shall be considered in the group with other crops for which special acreage allotments are not made (16 U. S. C. 590o).

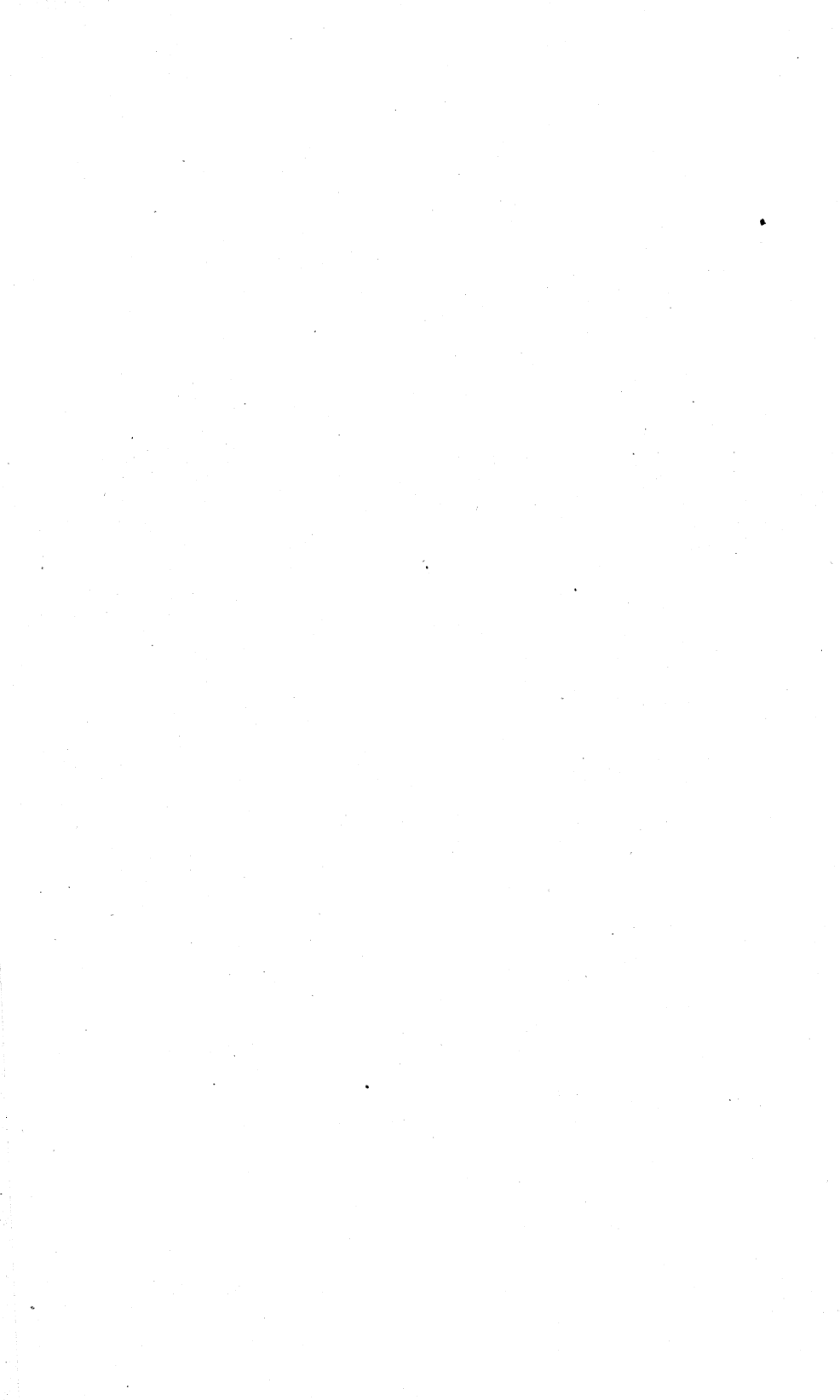
LIMITATION ON OBLIGATIONS INCURRED

SEC. 16. The obligations incurred for the purpose of carrying out, for any calendar year, the provisions of sections 7 to 14, inclusive, of this Act shall not exceed \$500,000,000 (16 U. S. C. 590p).

SCOPE OF ACT; DEFINITION OF STATE

SEC. 17. (a) This Act shall apply to the United States, the Territories of Alaska and Hawaii, and the possessions of Puerto Rico and the Virgin Islands, and, as used in this Act, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands (16 U. S. C. 590q (a)).

(b) This Act may be cited as the "Soil Conservation and Domestic Allotment Act" (16 U. S. C. 590q (b)).



AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

EXPLANATORY NOTE

As enacted on February 16, 1938, this statute contained amendments which strengthened and broadened the Soil Conservation and Domestic Allotment Act, provided for assistance in the marketing of agricultural commodities for domestic consumption and export, provided for price support loans on wheat, corn, cotton and other agricultural commodities, authorized parity payments for corn, wheat, tobacco, cotton and rice, when funds are appropriated therefor, provided for farm marketing quotas for tobacco, corn, wheat, cotton and rice, and established the Federal Crop Insurance Corporation. The act has been amended many times since its enactment. In 1941, marketing quota and price support provisions for peanuts were added to the act and the marketing quota provisions for corn and wheat were changed in several important respects. In 1949, substantial changes were made in the marketing quota provisions for cotton and rice, and the price support provisions were repealed with the enactment of the Agricultural Act of 1949.

The constitutional validity of the marketing quota provisions has been upheld as to tobacco in the case *Mulford v. Smith* (307 U. S. 38), as to cotton in the case *Troppy v. La Sara Farmers Gin Co.* (113 F. 2d 350), and as to wheat in the case *Wickard v. Filburn* (317 U. S. 111).

PART II

AGRICULTURAL ADJUSTMENT ACT OF 1938, AS AMENDED

AN ACT

To provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Agricultural Adjustment Act of 1938" (7 U. S. C. 1281).

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress to continue the Soil Conservation and Domestic Allotment Act, as amended, for the purpose of conserving national resources, preventing the wasteful use of soil fertility, and of preserving, maintaining, and rebuilding the farm and ranch land resources in the national public interest; to accomplish these purposes through the encouragement of soil-building and soil-conserving crops and practices; to assist in the marketing of agricultural commodities for domestic consumption and for export; and to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an orderly, adequate, and balanced flow of such commodities in interstate and foreign commerce through storage of reserve supplies, loans, marketing quotas, assisting farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income, and assisting consumers to obtain an adequate and steady supply of such commodities at fair prices (7 U. S. C. 1282).

TITLE I—AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

This title contains amendments to the Soil Conservation and Domestic Allotment Act, as amended. Insofar as now applicable, these amendments are incorporated in Part I of this compilation.

TITLE II—ADJUSTMENT IN FREIGHT RATES, NEW USES AND MARKETS, AND DISPOSITION OF SURPLUSES

ADJUSTMENTS IN FREIGHT RATES FOR FARM PRODUCTS

SEC. 201. (a) The Secretary of Agriculture is authorized to make complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products, and to prosecute the same before the Commission. Before hearing or disposing of any complaint (filed by any person other than the Secretary) with respect to rates, charges, tariffs, and

practices relating to the transportation of farm products, the Commission shall cause the Secretary to be notified, and, upon application by the Secretary, shall permit the Secretary to appear and be heard (7 U. S. C. 1291 (a)).

(b) If such rate, charge, tariff, or practice complained of is one affecting the public interest, upon application by the Secretary, the Commission shall make the Secretary a party to the proceeding. In such case the Secretary shall have the rights of a party before the Commission and the rights of a party to invoke and pursue original and appellate judicial proceedings involving the Commission's determination. The liability of the Secretary in any such case shall extend only to liability for court costs (7 U. S. C. 1291 (b)).

(c) For the purposes of this section, the Interstate Commerce Commission is authorized to avail itself of the cooperation, records, services, and facilities of the Department of Agriculture (7 U. S. C. 1291 (c)).

(d) The Secretary is authorized to cooperate with and assist cooperative associations of farmers making complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products (7 U. S. C. 1291 (d)).

NEW USES AND NEW MARKETS FOR FARM COMMODITIES

SEC. 202. (a) The Secretary is hereby authorized and directed to establish, equip, and maintain four regional research laboratories, one in each major farm producing area, and, at such laboratories, to conduct researches into and to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products and byproducts thereof. Such research and development shall be devoted primarily to those farm commodities in which there are regular or seasonal surpluses, and their products and byproducts (7 U. S. C. 1292 (a)).

(b) For the purposes of subsection (a), the Secretary is authorized to acquire land and interests therein, and to accept in the name of the United States donations of any property, real or personal, to any laboratory established pursuant to this section, and to utilize voluntary or uncompensated services at such laboratories. Donations to any one of such laboratories shall not be available for use by any other of such laboratories (7 U. S. C. 1292 (b)).

(c) In carrying out the purposes of subsection (a), the Secretary is authorized and directed to cooperate with other departments or agencies of the Federal Government, States, State agricultural experiment stations, and other State agencies and institutions, counties, municipalities, business or other organizations, corporations, associations, universities, scientific societies, and individuals, upon such terms and conditions as he may prescribe (7 U. S. C. 1292 (c)).

(d) To carry out the purposes of subsection (a), the Secretary is authorized to utilize in each fiscal year, beginning with the fiscal year beginning July 1, 1938, a sum not to exceed \$4,000,000 of the funds appropriated pursuant to section 391 of this Act, or section 15 of the Soil Conservation and Domestic Allotment Act, as amended, for such fiscal year. The Secretary shall allocate one-fourth of such sum annually to each of the four laboratories established pursuant to this section (7 U. S. C. 1292 (d)).

(e) The Secretary shall make a report to Congress at the beginning of each regular session of the activities of, expenditures by, and donations to the laboratories established pursuant to subsection (a) (7 U. S. C. 1292 (e)).

(f) There is hereby allocated to the Secretary of Commerce for each fiscal year, beginning with the fiscal year beginning July 1, 1938, out of funds appropriated for such fiscal year pursuant to section 391 of this Act, or section 15 of the Soil Conservation and Domestic Allotment Act, as amended, the sum of \$1,000,000 to be expended for the promotion of the sale of farm commodities and products thereof in such manner as he shall direct. Of the sum allocated under this subsection to the Secretary of Commerce for the fiscal year beginning July 1, 1938, \$100,000 shall be devoted to making a survey and investigation of the cause or causes of the reduction in exports of agricultural commodities from the United States, in order to ascertain methods by which the sales in foreign countries of basic agricultural commodities produced in the United States may be increased (7 U. S. C. 1292 (f)).

(g) It shall be the duty of the Secretary to use available funds to stimulate and widen the use of all farm commodities in the United States and to increase in every practical way the flow of such commodities and the products thereof into the markets of the world (7 U. S. C. 1292 (g)).

TITLE III—PARITY PAYMENTS, CONSUMER SAFEGUARDS, AND MARKETING QUOTAS

SUBTITLE A—DEFINITIONS, PARITY PAYMENTS, AND CONSUMER SAFEGUARDS

DEFINITIONS

SEC. 301. (a) GENERAL DEFINITIONS.—For the purposes of this title and the declaration of policy—

(1) (A) The “parity price” for any agricultural commodity, as of any date, shall be determined by multiplying the adjusted base price of such commodity as of such date by the parity index as of such date.

(B) The “adjusted base price” of any agricultural commodity, as of any date, shall be (i) the average of the prices received by farmers for such commodity, at such times as the Secretary may select during each year of the 10-year period ending on the 31st of December last before such date, or during each marketing season beginning in such period if the Secretary determines use of a calendar year basis to be impracticable, divided by (ii) the ratio of the general level of prices received by farmers for agricultural commodities during such period to the general level of prices received by farmers for agricultural commodities during the period January 1910 to December 1914, inclusive. As used in this subparagraph, the term “prices” shall include wartime subsidy payments made to producers under programs designed to maintain maximum prices established under the Emergency Price Control Act of 1942.

(C) The “parity index,” as of any date, shall be the ratio of (i) the general level of prices for articles and services that farmers buy, wages paid hired farm labor, interest on farm indebtedness secured

by farm real estate, and taxes on farm real estate, for the calendar month ending last before such date to (ii) the general level of such prices, wages, rates, and taxes during the period January 1910 to December 1914, inclusive.

(D) The prices and indices provided for herein, and the data used in computing them, shall be determined by the Secretary, whose determination shall be final.

(E) Notwithstanding the provisions of subparagraph (A), the transitional parity price for any agricultural commodity, computed as provided in this subparagraph, shall be used as the parity price for such commodity until such date after January 1, 1950, as such transitional parity price may be lower than the parity price, computed as provided in subparagraph (A), for such commodity. The transitional parity price for any agricultural commodity as of any date shall be—

(i) its parity price determined in the manner used prior to the effective date of the Agricultural Act of 1948 [January 1, 1950], less

(ii) five per centum of the parity price so determined multiplied by the number of full calendar years which, as of such date, have elapsed after January 1, 1949.

(F) Notwithstanding the provisions of subparagraphs (A) and (E), if the parity price for any agricultural commodity, computed as provided in subparagraphs (A) and (E) appears to be seriously out of line with the parity prices of other agricultural commodities, the Secretary may, and upon the request of a substantial number of interested producers shall, hold public hearings to determine the proper relationship between the parity price of such commodity and the parity prices of other agricultural commodities. Within 60 days after commencing such hearing the Secretary shall complete such hearing, proclaim his findings as to whether the facts require a revision of the method of computing the parity price of such commodity, and put into effect any revision so found to be required.

(G) Notwithstanding the foregoing provisions of this section, the parity price for any basic agricultural commodity, as of any date during the 6-year period beginning January 1, 1950, shall not be less than its parity price computed in the manner used prior to the enactment of the Agricultural Act of 1949.

[The definition of the term "parity," prior to enactment of the Agricultural Act of 1949, is as follows: "Parity," as applied to prices for any agricultural commodity, shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period; and, in the case of all commodities for which the base period is the period August 1909 to July 1914, which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, and freight rates, as contrasted with such interest payments, tax payments, and freight rates during the base period. The base period in case of all agricultural commodities except tobacco shall be the period August 1909 to July 1914. In the case of all kinds of tobacco except Burley and flue-cured such base period shall be the period August 1919 to July 1929, and, in the case of Burley and flue-cured tobacco, shall be the period August 1934 to July 1939; except that the

August 1919–July 1929 base period shall be used in allocating any funds appropriated prior to September 1, 1940 (52 Stat. 38, 54 Stat. 1210).]

(2) "Parity," as applied to income, shall be that gross income from agriculture which will provide the farm operator and his family with a standard of living equivalent to those afforded persons dependent upon other gainful occupation. "Parity" as applied to income from any agricultural commodity for any year, shall be that gross income which bears the same relationship to parity income from agriculture for such year as the average gross income from such commodity for the preceding 10 calendar years bears to the average gross income from agriculture for such 10 calendar years.

(3) The term "interstate and foreign commerce" means sale, marketing, trade, and traffic between any State or Territory or the District of Columbia or Puerto Rico, and any place outside thereof; or between points within the same State or Territory or within the District of Columbia or Puerto Rico, through any place outside thereof; or within any Territory or within the District of Columbia or Puerto Rico.

(4) The term "affect interstate and foreign commerce" means, among other things, in such commerce, or to burden or obstruct such commerce or the free and orderly flow thereof; or to create or tend to create a surplus of any agricultural commodity which burdens or obstructs such commerce or the free and orderly flow thereof.

(5) The term "United States" means the several States and Territories and the District of Columbia and Puerto Rico.

(6) The term "State" includes a Territory and the District of Columbia and Puerto Rico.

(7) The term "Secretary" means the Secretary of Agriculture, and the term "Department" means the Department of Agriculture.

(8) The term "person" means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State.

(9) The term "corn" means field corn (7 U. S. C. 1301 (a), Public Law 585, 82d Cong., approved July 17, 1952).

[PUBLIC LAW 897, Eightieth Congress—SEC. 302 (f). All references in other laws to—

(1) parity,

(2) parity prices,

(3) prices comparable to parity prices, or

(4) prices to be determined in the same manner as provided by the Agricultural Adjustment Act of 1938 prior to its amendment by this Act for the determination of parity prices,

with respect to prices for agricultural commodities and products thereof, shall hereafter be deemed to refer to parity prices as determined in accordance with the provisions of section 301 (a) (1) of the Agricultural Adjustment Act of 1938, as amended by this Act (7 U. S. C. 1301a).]

[PUBLIC LAW 272, Eighty-first Congress—SEC. 3 (a). Notwithstanding any other provision of law, Middling seven-eighths inch cotton shall be the standard grade for purposes of parity and price support (7 U. S. C. 1301b).]

(b) DEFINITIONS APPLICABLE TO ONE OR MORE COMMODITIES.—For the purposes of this title—

(1) (A) "Actual production" as applied to any acreage of corn means the number of bushels of corn which the local committee deter-

mines would be harvested as grain from such acreage if all the corn on such acreage were so harvested. In case of a disagreement between the farmer and the local committee as to the actual production of the acreage of corn on the farm, or in case the local committee determines that such actual production is substantially below normal, the local committee, in accordance with regulations of the Secretary, shall weigh representative samples of ear corn taken from the acreage involved, make proper deductions for moisture content, and determine the actual production of such acreage on the basis of such samples.

(B) "Actual production" of any number of acres of cotton, rice or peanuts on a farm means the actual average yield for the farm times such number of acres.

(2) "Bushel" means in the case of ear corn that amount of ear corn, including not to exceed $15\frac{1}{2}$ per centum of moisture content, which weighs 70 pounds, and in the case of shelled corn, means that amount of shelled corn including not to exceed $15\frac{1}{2}$ per centum of moisture content, which weighs 56 pounds.

(3) (A) "Carry-over," in the case of corn, rice, and peanuts for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any quantity which was produced in the United States during the calendar year then current.

(B) "Carry-over" of cotton for any marketing year shall be the quantity of cotton on hand in the United States at the beginning of such marketing year, not including any part of the crop which was produced in the United States during the calendar year then current.

[NOTE: As originally enacted this term included domestically produced cotton on hand within or without the United States. A new definition, excluding American cotton on hand outside the United States, was enacted in Sec. 201 (c) of the Agricultural Act of 1948 (62 Stat. 1250). The definition was changed again by Sec. 2 (a) of Public Law 272, 81st Cong., approved August 29, 1949 (63 Stat. 675), to include all cotton on hand in the United States whether produced within or without the United States. Sec. 415 (e) of the Agricultural Act of 1949 (63 Stat. 1056) repealed Sec. 201 (c) of the Agricultural Act of 1948. Therefore, the provision now in effect is the definition appearing herein which is the definition enacted by Public Law 272, 81st Cong. Sec. 1301 (b) (3) (B) of Title 7, U. S. Code, 1946 ed., Supplement V carries the definition of the term as it was originally enacted.]

(C) "Carry-over" of tobacco for any marketing year shall be the quantity of such tobacco on hand in the United States at the beginning of such marketing year (or on January 1 of such marketing year in the case of Maryland tobacco), which was produced in the United States prior to the beginning of the calendar year in which such marketing year begins, except that in the case of cigar-filler and cigar-binder tobacco the quantity of type 46 on hand and theretofore produced in the United States during such calendar year shall also be included.

(D) "Carry-over" of wheat, for any marketing year shall be the quantity of wheat on hand in the United States at the beginning of such marketing year, not including any wheat which was produced in the United States during the calendar year then current, and not including any wheat held by the Federal Crop Insurance Corporation under Title V [of the Agricultural Adjustment Act of 1938].

(4) (A) "Commercial corn-producing area" shall include all counties in which the average production of corn (excluding corn used as silage) during the 10 calendar years immediately preceding the

calendar year for which such area is determined, after adjustment for abnormal weather conditions, is 450 bushels or more per farm and 4 bushels or more for each acre of farm land in the county.

(B) Whenever prior to February 1 of any calendar year the Secretary has reason to believe that any county which is not included in the commercial corn-producing area determined pursuant to the provisions of subparagraph (A), but which borders upon one of the counties in such area, or that any minor civil division in a county bordering on such area, is producing (excluding corn used for silage) an average of at least 450 bushels of corn per farm and an average of at least 4 bushels for each acre of farm land in the county or in the minor civil division, as the case may be, he shall cause immediate investigation to be made to determine such fact. If, upon the basis of such investigation, the Secretary finds that such county or minor civil division is likely to produce corn in such average amounts during such calendar year, he shall proclaim such determination, and, commencing with such calendar year, such county shall be included in the commercial corn-producing area. In the case of a county included in the commercial corn-producing area pursuant to this subparagraph, whenever prior to February 1 of any calendar year the Secretary has reason to believe that facts justifying the inclusion of such county are not likely to exist in such calendar year, he shall cause an immediate investigation to be made with respect thereto. If, upon the basis of such investigation, the Secretary finds that such facts are not likely to exist in such calendar year, he shall proclaim such determination, and commencing with such calendar year, such county shall be excluded from the commercial corn-producing area.

(5) "Farm consumption" of corn means consumption by the farmer's family, employees, or household, or by his work stock; or consumption by poultry or livestock on his farm if such poultry or livestock, or the products thereof, are consumed or to be consumed by the farmer's family, employees, or household.

(6) (A) "Market," in the case of corn, cotton, rice, tobacco, and wheat, means to dispose of, in raw or processed form, by voluntary or involuntary sale, barter, or exchange, or by gift *inter vivos*, and, in the case of corn and wheat, by feeding (in any form) to poultry or livestock which, or the products of which, are sold, bartered, or exchanged, or to be so disposed of, but does not include disposing of any of such commodities as premium to the Federal Crop Insurance Corporation under Title V [of the Agricultural Adjustment Act of 1938].

(B) "Marketed," "marketing," and "for market" shall have corresponding meanings to the term "market" in the connection in which they are used.

(C) "Market," in the case of peanuts, means to dispose of peanuts, including farmers' stock peanuts, shelled peanuts, cleaned peanuts, or peanuts in processed form, by voluntary or involuntary sale, barter, or exchange, or by gift *inter vivos*.

(7) "Marketing year" means, in the case of the following commodities, the period beginning on the first and ending with the second date specified below:

Corn, October 1–September 30;

Cotton, August 1–July 31;

Rice, August 1-July 31;

Tobacco (flue-cured), July 1-June 30;

Tobacco (other than flue-cured), October 1-September 30;

Wheat, July 1-June 30.

[Peanuts, August 1-July 31 (see Sec. 359 (a), p. 65).]

(8) "National average yield" as applied to cotton or wheat shall be the national average yield per acre of the commodity during the 10 calendar years in the case of wheat, and during the 5 calendar years in the case of cotton, preceding the year in which such national average yield is used in any computation authorized in this title, adjusted for abnormal weather conditions and, in the case of wheat, but not in the case of cotton, for trends in yields.

(9) "Normal production" as applied to any number of acres of corn, cotton, rice, or wheat means the normal yield for the farm times such number of acres.

(10) (A) "Normal supply" in the case of corn, rice, wheat, and peanuts for any marketing year shall be (i) the estimated domestic consumption of the commodity for the marketing year ending immediately prior to the marketing year for which normal supply is being determined, plus (ii) the estimated exports of the commodity for the marketing year for which normal supply is being determined, plus (iii) an allowance for carry-over. The allowance for carry-over shall be the following percentage of the sum of the consumption and exports used in computing normal supply: 10 per centum in the case of corn; 10 per centum in the case of rice; 15 per centum in the case of wheat; and 15 per centum in the case of peanuts. In determining normal supply the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary.

[Note: Sec. 2 (a) (2) of Public Law 272, 81st Cong., approved Aug. 29, 1949 (63 Stat. 676), deleted "cotton" from the foregoing definition and added a new subparagraph (C) containing the definition of "normal supply" of cotton. The word "cotton" has not been omitted in the first sentence of sec. 1301 (b) (10) (A) of title 7, U. S. Code, 1946 ed., Supplement V.]

(B) "Normal supply" in the case of tobacco shall be a normal year's domestic consumption and exports, plus 175 per centum of a normal year's domestic consumption and 65 per centum of a normal year's exports as an allowance for a normal carry-over.

(C) The "normal supply" of cotton for any marketing year shall be the estimated domestic consumption of cotton for the marketing year for which such normal supply is being determined, plus the estimated exports of cotton for such marketing year, plus 30 per centum of the sum of such consumption and exports as an allowance for carry-over.

(11) (A) "Normal year's domestic consumption," in the case of corn and wheat, shall be the yearly average quantity of the commodity, wherever produced, that was consumed in the United States during the 10 marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

(B) "Normal year's domestic consumption," in the case of cotton and tobacco, shall be the yearly average quantity of the commodity produced in the United States that was consumed in the United States during the 10 marketing years immediately preceding the marketing

year in which such consumption is determined, adjusted for current trends in such consumption.

(C) "Normal year's domestic consumption," in the case of rice, shall be the yearly average quantity of rice produced in the United States that was consumed in the United States during the five marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

(12) "Normal year's exports" in the case of corn, cotton, rice, tobacco, and wheat shall be the yearly average quantity of the commodity produced in the United States that was exported from the United States during the ten marketing years (or, in the case of rice, the five marketing years) immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports.

(13) (A) "Normal yield" for any county, in the case of corn or wheat, shall be the average yield per acre of corn or wheat for the county during the ten calendar years immediately preceding the year in which such normal yield is determined, adjusted for abnormal weather conditions and trends in yields. Such normal yield per acre for any county need be redetermined only when the actual average yield for the ten calendar years immediately preceding the calendar year in which such yield is being reconsidered differs by at least 5 per centum from the actual average yield for the 10 years upon which the existing normal yield per acre for the county was based.

(B) "Normal yield" for any county, in the case of cotton or peanuts, shall be the average yield per acre of cotton or peanuts for the county, adjusted for abnormal weather conditions, during the five calendar years immediately preceding the year in which such normal yield is determined.

(C) In applying subparagraph (A) or (B), if for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year. In applying such subparagraphs, if, on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield in any year of such 10-year period or 5-year period, as the case may be, is less than 75 per centum of the average (computed without regard to such year) such year shall be eliminated in calculating the normal yield per acre.

(D) "Normal yield" per acre of rice for any land planted to rice in any year shall be the average yield per acre thereof during the five calendar years immediately preceding the calendar year for which such normal yield is determined. If, for any reason, there is no actual yield or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with the regulations of the Secretary, shall be used. If the average of the normal yields for all lands planted to rice in any year in the State (weighted by the acreage allotments therein) exceeds the average yield per acre for the State during the period used in determining normal yields, the normal yields for such lands in the State shall be reduced pro rata so that the average of such normal yields shall not exceed such State average yield.

(E) "Normal yield" for any farm, in the case of corn, wheat, cotton, or peanuts, shall be the average yield per acre of corn, wheat, cotton, or peanuts, as the case may be, for the farm, adjusted for abnormal weather conditions and, in the case of corn and wheat, but not in the case of cotton or peanuts, for trends in yields, during the ten calendar years in the case of corn and wheat, and five calendar years in the case of cotton or peanuts, immediately preceding the year in which such normal yield is determined. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, and the yield in years for which data are available.

(14) (A) "Reserve supply level," in the case of corn, shall be a normal year's domestic consumption and exports of corn plus 10 per centum of a normal year's domestic consumption and exports, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

(B) "Reserve supply level" of tobacco shall be the normal supply plus 5 per centum thereof, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

(15) "Tobacco" means each one of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department:

Flue-cured tobacco, comprising types 11, 12, 13, and 14;

Fire-cured tobacco, comprising types 21, 22, 23, and 24;

Dark air-cured tobacco, comprising types 35 and 36;

Virginia sun-cured tobacco, comprising type 37;

Burley tobacco, comprising type 31;

Maryland tobacco, comprising type 32;

Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 45, 46, 51, 52, 53, 54, and 55;

Cigar-filler tobacco, comprising type 41.

The provisions of this title shall apply to each of such kinds of tobacco severally: *Provided*, That any one or more of the types comprising any such kind of tobacco shall be treated as a "kind of tobacco" for the purposes of this Act if the Secretary finds there is a difference in supply and demand conditions as among such types of tobacco which results in a difference in the adjustments needed in the marketings thereof in order to maintain supplies in line with demand.

(16) (A) "Total supply" of wheat, corn, rice, and peanuts for any marketing year shall be the carry-over of the commodity for such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

(B) "Total supply" of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year (or on January 1 of such marketing year in the case of Maryland tobacco) plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the estimated

production of type-46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar-filler and cigar-binder tobacco.

(C) "Total supply" of cotton for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of cotton in the United States during the calendar year in which such marketing year begins and the estimated imports of cotton into the United States during such marketing year (7 U. S. C. 1301 (b), Public Law 464, 82d Cong., approved July 8, 1952).

(c) The latest available statistics of the Federal Government shall be used by the Secretary in making the determinations required to be made by the Secretary under this Act (7 U. S. C. 1301 (c)).

SEC. 302. (Repealed by 63 Stat. 1051.)

PARITY PAYMENTS

SEC. 303. If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco, on their normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit. All funds available for such payments with respect to these commodities shall, unless otherwise provided by law, be apportioned to these commodities in proportion to the amount by which each fails to reach the parity income. Such payments shall be in addition to and not in substitution for any other payments authorized by law (7 U. S. C. 1303).

CONSUMER SAFEGUARDS

SEC. 304. The powers conferred under this Act shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities. In carrying out the purposes of this Act it shall be the duty of the Secretary to give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair to both producers and consumers (7 U. S. C. 1304).

SUBTITLE B—MARKETING QUOTAS

PART I—MARKETING QUOTAS—TOBACCO

LEGISLATIVE FINDING

SEC. 311. (a) The marketing of tobacco constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate and foreign commerce at every point, and

stable conditions therein are necessary to the general welfare. Tobacco produced for market is sold on a Nation-wide market and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable natural causes, are widely scattered throughout the Nation, in many cases such farmers carry on their farming operations on borrowed money or leased lands, and are not so situated as to be able to organize effectively, as can labor and industry through unions and corporations enjoying Government protection and sanction. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market (7 U. S. C. 1311 (a)).

(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the price for such commodity with consequent injury and destruction of interstate and foreign commerce in such commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products (7 U. S. C. 1311 (b)).

(c) Whenever an abnormally excessive supply of tobacco exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this Part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce (7 U. S. C. 1311 (c)).

NATIONAL MARKETING QUOTA

SEC. 312. (a) Whenever the Secretary finds that the total supply of tobacco as of the beginning of the marketing year then current exceeds the reserve supply level therefor, the Secretary shall proclaim the amount of such total supply, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year: *Provided*, That the Secretary shall proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year, and shall proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the total quantity of tobacco which may be marketed, which will make available during such marketing year a supply of tobacco equal to the

reserve supply level. Such proclamation shall be made not later than the 1st day of December in such year. The amount of the national marketing quota so proclaimed may, not later than the following March 1, be increased by not more than 20 per centum if the Secretary determines that such increase is necessary in order to meet market demands or to avoid undue restriction of marketings in adjusting the total supply to the reserve supply level (7 U. S. C. 1312 (a)).

(b) Within 30 days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum of farmers who were engaged in production of the crop of tobacco harvested prior to the holding of the referendum to determine whether such farmers are in favor of or opposed to such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the 1st day of January, proclaim the result of the referendum and such quota shall not be effective thereafter. In the same referendum the Secretary shall also submit to such farmers the question of whether they favor tobacco marketing quotas for a period of 3 years, beginning with the marketing year next following. If two-thirds of the farmers voting on this question favor marketing quotas for a 3-year period, the Secretary shall proclaim marketing quotas for such period, and, beginning on the first day of the marketing year next following and continuing throughout the period so proclaimed, a national marketing quota shall be in effect for the tobacco marketed during each marketing year in said period unless amendments are made in the provisions for determining farm allotments so as to cause material revision of such allotments before the end of such period. If more than one-third of the farmers voting on this question oppose marketing quotas for the 3-year period, such results shall be proclaimed by the Secretary and quotas for a longer period than 1 year shall not be in effect, but such result shall in no wise affect or limit the proclamation and submission to a referendum, as otherwise provided in this section, of a national marketing quota for any marketing year thereafter (7 U. S. C. 1312 (b)).

APPORTIONMENT OF NATIONAL MARKETING QUOTA

SEC. 313. (a) The national marketing quota for tobacco established pursuant to the provisions of section 312, less the amount to be allotted under subsection (c) of this section, shall be apportioned by the Secretary among the several States on the basis of the total production of tobacco in each State during the five calendar years immediately preceding the calendar year in which the quota is proclaimed (plus, in applicable years, the normal production on the acreage diverted under previous agricultural adjustment and conservation programs), with such adjustments as are determined to be necessary to make correction for abnormal conditions of production, for small farms, and for trends in production, giving due consideration to seed bed and other plant diseases during such 5-year period. Notwithstanding any other provision of this section and section 312 * * * the Burley tobacco acreage allotment which would otherwise be established for any farm having a Burley acreage allotment in 1942 shall not be less than one-half acre, and the acreage required for apportionment under this proviso shall be in addition to the National and State acreage allotments (7 U. S. C. 1313 (a)).

[PUBLIC LAW 276, Seventy-eighth Congress.—* * * notwithstanding the provisions of section 313 (a) of the Agricultural Adjustment Act of 1938, as amended, the burley tobacco acreage allotment which would otherwise be established for any farm having a burley acreage allotment in 1943 shall not be less than one acre, or 25 per centum of the cropland, whichever is the smaller, and the acreage required for apportionment under this joint resolution shall be in addition to the National and State acreage allotments (March 31, 1944, 58 Stat. 136).]

[PUBLIC LAW 528, Eighty-second Congress.—* * * notwithstanding any other provision of law, the farm acreage allotment for burley tobacco for any year shall not be less than the smallest of (1) the allotment established for the farm for the immediately preceding year, (2) seven-tenths of an acre, or (3) 25 per centum of the cropland: *Provided, however,* That no allotment of one acre or less shall be reduced more than one-tenth of an acre in any one year. The additional acreage required under this Act shall be in addition to the State acreage allotments and the production on such acreage shall be in addition to the national marketing quota. This provision shall be effective for 1953 and subsequent crops (July 12, 1952, 66 Stat. 597).]

(b) The Secretary shall provide, through the local committees, for the allotment of the marketing quota for any State among the farms on which tobacco is produced, on the basis of the following: Past marketing of tobacco, making due allowance for drought, flood, hail, other abnormal weather conditions, plant bed, and other diseases; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided, That,* except for farms on which for the first time in 5 years tobacco is produced to be marketed in the marketing year for which the quota is effective, the marketing quota for any farm shall not be less than the smaller of either (1) 3,200 pounds, in the case of flue-cured tobacco, and 2,400 pounds, in the case of other kinds of tobacco, or (2) the average tobacco production for the farm during the preceding 3 years, plus the average normal production of any tobacco acreage diverted under agricultural adjustment and conservation programs during such preceding 3 years (7 U. S. C. 1313 (b)).

(c) The Secretary shall provide, through local committees, for the allotment of not in excess of 5 per centum of the national marketing quota (1) to farms in any State whether it has a State quota or not on which for the first time in 5 years tobacco is produced to be marketed in the year for which the quota is effective and (2) for further increase of allotments to small farms pursuant to the proviso in subsection (b) of this section on the basis of the following: Land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided, That* farm marketing quotas established pursuant to this subsection for farms on which tobacco is produced for the first time in 5 years shall not exceed 75 per centum of the farm marketing quotas established pursuant to subsection (b) of this section for farms which are similar with respect to the following: Land, labor, and equipment available for the production of

tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco (7 U. S. C. 1313 (c)).

(d) Farm marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations (7 U. S. C. 1313 (d)).

(e) In case of flue-cured tobacco, the national quota for 1938 is increased by a number of pounds required to provide for each State in addition to the State poundage allotment a poundage not in excess of 4 per centum of the allotment which shall be apportioned in amounts which the Secretary determines to be fair and reasonable to farms in the State receiving allotments under the Agricultural Adjustment Act of 1938 which the Secretary determines are inadequate in view of past production of tobacco, and for each year by a number of pounds sufficient to assure that any State receiving a State poundage allotment of flue-cured tobacco shall receive a minimum State poundage allotment of flue-cured tobacco equal to the average national yield for the preceding 5 years of 500 acres of such tobacco (7 U. S. C. 1313 (e)).

(f) (Applicable only to 1938 crop.)

(g) Notwithstanding any other provision of this section, the Secretary on the basis of average yield per acre of tobacco for the State during the 5 years last preceding the year in which the national marketing quota is proclaimed, adjusted for abnormal conditions of production, may convert the State marketing quota into a State acreage allotment, and allot the same through the local committees among farms on the basis of the factors set forth in subsection (b), using past acreage (harvested and diverted) in lieu of the past marketing of tobacco; and the Secretary on the basis of the national average yield during the same period, similarly adjusted, may also convert into an acreage allotment the amount reserved from the national quota pursuant to the provisions of subsection (c), and on the basis of the factors set forth in subsection (c) and the past tobacco experience of the farm operator, allot the same through the local committees among farms on which no tobacco was produced during the last 5 years. Except for farms last mentioned or a farm operated, controlled, or directed by a person who also operates, controls, or directs another farm on which tobacco is produced, the farm-acreage allotment shall be increased by the smaller of (1) 20 per centum of such allotment or (2) the percentage by which the normal yield of such allotment (as determined through the local committees in accordance with regulations prescribed by the Secretary) is less than 3,200 pounds, in the case of flue-cured tobacco, and 2,400 pounds in the case of other kinds of tobacco: *Provided*, That the normal yield of the estimated number of acres so added to farm acreage allotments in any State shall be considered as a part of the State marketing quota in applying the proviso in subsection (a). The actual production of the acreage allotment established for a farm pursuant to this subsection shall be the amount of the farm marketing quota. If any amount of tobacco shall be marketed as having been produced on the acreage allotment for any farm which in fact was produced on a different farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quota, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm

caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of tobacco is not furnished as required by the Secretary, the acreage allotment next established for the farm on which such tobacco is produced shall be reduced by a percentage similarly computed (7 U. S. C. 1313 (g)).

(h) Notwithstanding any other provision of this part I, any person who owned a farm, which in 1940 or thereafter was acquired by the United States for national-defense purposes, and who owns or acquires one or more other farms, shall, upon application to the local committee, be entitled to have an allotment for any one of such other farms owned by him for each of the 5 years succeeding the acquisition by the United States equal to the allotment which would have been made to such farm plus the allotment which would have been made to the farm acquired by the United States except for such acquisition: *Provided*, That such allotment shall not exceed 50 per centum of the acreage of cropland in the farm in the case of flue-cured tobacco, and 20 per centum of the acreage of cropland in the farm, in the case of kinds of tobacco other than flue-cured. Any farm for which the allotment has been determined under this subsection shall, after the end of such 5 years, have its allotment determined on the basis of past acreage of tobacco, land, labor, and equipment available for the production of tobacco, crop-rotation practices, and soil and other physical factors affecting the production of tobacco: *Provided further*, That the provisions of this subsection shall not be applicable so long as there is any penalty due and unpaid, or a failure to account for the disposition of tobacco produced on the farm acquired by the United States, or if the allotment next established for such farm would have been reduced because of the false or improper identification of tobacco produced on or marketed from such farm. Nothing in this subsection shall be construed as preventing the Secretary from operating any allotment pool from which allotments are made to share tenants or sharecroppers who move from farms acquired by the United States for national-defense purposes to other farms purchased and operated by such persons (7 U. S. C. 1313 (h)).

(i) Notwithstanding any other provision of this Act, whenever after investigation the Secretary determines with respect to any kind of tobacco that a substantial difference exists in the usage or market outlets for any one or more of the types comprising such kind of tobacco and that the quantity of tobacco of such type or types to be produced under the marketing quotas and acreage allotments established pursuant to this section would not be sufficient to provide an adequate supply for estimated market demands and carry-over requirements for such type or types of tobacco, the Secretary shall increase the marketing quotas and acreage allotments for farms producing such type or types of tobacco in the preceding year to the extent necessary to make available a supply of such type or types of tobacco adequate to meet such demands and carry-over requirements. The increases in farm marketing quotas and acreage allotments shall be made on the basis of the production of such type or types of tobacco during the period of years considered in establishing farm marketing quotas and acreage allotments for such kind of tobacco. The additional production authorized by this subsection shall be in addition to the national marketing quota established for such kind of tobacco pursuant to section 312 of this Act. The increase in acreage under this

subsection shall not be considered in establishing future State or farm acreage allotments (7 U. S. C. 1313 (i)).

PENALTIES

SEC. 314. (a) The marketing of any kind of tobacco in excess of the marketing quota for the farm on which the tobacco is produced shall be subject to a penalty of 40 per centum of the average market price (calculated to the nearest whole cent) for such kind of tobacco for the immediately preceding marketing year. Such penalty shall be paid by the person who acquired such tobacco from the producer but an amount equivalent to the penalty may be deducted by the buyer from the price paid to the producer in case such tobacco is marketed by sale; or, if the tobacco is marketed by the producer through a warehouseman or other agent, such penalty shall be paid by such warehouseman or agent who may deduct an amount equivalent to the penalty from the price paid to the producer: *Provided*, That in case any tobacco is marketed directly to any person outside the United States the penalty shall be paid and remitted by the producer. If any producer falsely identifies or fails to account for the disposition of any tobacco, an amount of tobacco equal to the normal yield of the number of acres harvested in excess of the farm-acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm, and the penalty in respect thereof shall be paid and remitted by the producer. Tobacco carried over by the producer thereof from one marketing year to another may be marketed without payment of the penalty imposed by this section if the total amount of tobacco available for marketing from the farm in the marketing year from which the tobacco is carried over did not exceed the farm marketing quota established for the farm for such marketing year (or which would have been established if marketing quotas had been in effect for such marketing year), or if the tobacco so carried over does not exceed the normal production of that number of acres by which the harvested acreage of tobacco in the calendar year in which the marketing year begins is less than the farm-acreage allotment. Tobacco produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though it is marketed prior to the date on which such marketing year begins (7 U. S. C. 1314 (a)).

(b) The Secretary shall require collection of the penalty upon a proportion of each lot of tobacco marketed from the farm equal to the proportion which the tobacco available for marketing from the farm in excess of the farm marketing quota is of the total amount of tobacco available for marketing from the farm if satisfactory proof is not furnished as to the disposition to be made of such excess tobacco prior to the marketing of any tobacco from the farm. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States until the end of the marketing year next succeeding that in which the funds are collected, and upon certification by the Secretary there shall be paid out of such special deposit account to persons designated by the Secretary the amount by which the penalty collected exceeds the amount of penalty due upon tobacco marketed in excess of the farm marketing quota for any farm. Such special account shall be administered by the Secretary, and the basis for, the amount of, and the person entitled to receive a

payment from such account, when determined in accordance with regulations prescribed by the Secretary, shall be final and conclusive (7 U. S. C. 1314 (b)).

PART II.—MARKETING QUOTAS—CORN

LEGISLATIVE FINDING

SEC. 321. Corn is a basic source of food for the Nation, and corn produced in the commercial corn-producing area moves almost wholly in interstate and foreign commerce in the form of corn, livestock, and livestock products.

Abnormally excessive and abnormally deficient supplies of corn acutely and directly affect, burden, and obstruct interstate and foreign commerce in corn, livestock, and livestock products. When abnormally excessive supplies exist, transportation facilities in interstate and foreign commerce are overtaxed, and the handling and processing facilities through which the flow of interstate and foreign commerce in corn, livestock, and livestock products is directed become acutely congested. Abnormally deficient supplies result in substantial decreases in livestock production and in an inadequate flow of livestock and livestock products in interstate and foreign commerce, with the consequence of unreasonably high prices to consumers.

Violent fluctuations from year to year in the available supply of corn disrupt the balance between the supply of livestock and livestock products moving in interstate and foreign commerce and the supply of corn available for feeding. When available supplies of corn are excessive, corn prices are low and farmers overexpand livestock production in order to find outlets for corn. Such expansion, together with the relative scarcity and high price of corn, forces farmers to market abnormally excessive supplies of livestock in interstate commerce at sacrifice prices, endangering the financial stability of producers, and overtaxing handling and processing facilities through which the flow of interstate and foreign commerce in livestock and livestock products is directed. Such excessive marketings deplete livestock on farms, and livestock marketed in interstate and foreign commerce consequently becomes abnormally low, with resultant high prices to consumers and danger to the financial stability of persons engaged in transporting, handling, and processing livestock in interstate and foreign commerce. These high prices in turn result in another overexpansion of livestock production.

Recurring violent fluctuations in the price of corn resulting from corresponding violent fluctuations in the supply of corn directly affect the movement of livestock in interstate commerce from the range cattle regions to the regions where livestock is fattened for market in interstate and foreign commerce, and also directly affect the movement in interstate commerce of corn marketed as corn which is transported from the regions where produced to the regions where livestock is fattened for market in interstate and foreign commerce.

Substantially all the corn moving in interstate commerce, substantially all the corn fed to livestock transported in interstate commerce for fattening, and substantially all the corn fed to livestock marketed in interstate and foreign commerce, is produced in the commercial corn-producing area. Substantially all the corn produced in the commercial corn-producing area, with the exception of a comparatively

small amount used for farm consumption, is either sold or transported in interstate commerce, or is fed to livestock transported in interstate commerce for feeding, or is fed to livestock marketed in interstate and foreign commerce. Almost all the corn produced outside the commercial corn-producing area is either consumed, or is fed to livestock which is consumed, in the State in which such corn is produced.

The conditions affecting the production and marketing of corn and the livestock products of corn are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of disparities between the supplies of livestock moving in interstate and foreign commerce and the supply of corn available for feeding, and provide for orderly marketing of corn in interstate and foreign commerce and livestock and livestock products in interstate and foreign commerce.

The national public interest requires that the burdens on interstate and foreign commerce above described be removed by the exercise of Federal power. By reason of the administrative and physical impracticability of regulating the movement of livestock and livestock products in interstate and foreign commerce and the inadequacy of any such regulation to remove such burdens, such power can be feasibly exercised only by providing for the withholding from market of excessive and burdensome supplies of corn in times of excessive production, and providing a reserve supply of corn available for market in times of deficient production, in order that a stable and continuous flow of livestock and livestock products in interstate and foreign commerce may at all times be assured and maintained (7 U. S. C. 1321).

FARM MARKETING QUOTAS

SEC. 322. (a) Whenever in any calendar year the Secretary determines—

(1) that the total supply of corn for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

(2) that the total supply of corn for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for corn for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than November 15 of such calendar year, proclaim such fact and marketing quotas shall be in effect in the commercial corn producing area for the crop of corn grown in such area in the next succeeding calendar year and shall remain in effect until terminated in accordance with the provisions of this title. With respect to the 1950 crop of corn the determination and proclamation required by this section may be made, notwithstanding the foregoing, at any time prior to February 1, 1950, using 1949 as "such calendar year" for the purposes of (1) and (2) of the preceding sentence (7 U. S. C. 1322 (a)).

(b) (Repealed by 62 Stat. 1256.)

(c) (Repealed by 62 Stat. 1256.)

(d) Within 20 days after the date of the issuance of the proclamation provided for in subsection (a) of this section, the Secretary shall conduct a referendum, by secret ballot, of farmers who would be subject to such quotas to determine whether such farmers are in favor

of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, prior to March 10, proclaim the result of the referendum and such quotas shall not become effective (7 U. S. C. 1322 (d)).

(e) Whenever it shall appear from the September production estimates officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of corn as of the beginning of the next succeeding marketing year will not exceed the normal supply by more than 10 per centum thereof, the Secretary shall proclaim such fact prior to September 20, if farm marketing quotas have been proclaimed for such marketing year. Thereupon such quotas shall not become effective (7 U. S. C. 1322 (e)).

AMOUNT OF FARM MARKETING QUOTA

SEC. 323. (a) The farm marketing quota for any farm with respect to any crop of corn shall be an amount of corn equal to the sum of—

- (1) The amount of corn used as silage; and
- (2) The actual production of the acreage of corn not used as silage less the amount required for farm consumption and less the storage amount applicable to the farm as ascertained under section 324 (7 U. S. C. 1323 (a)).

(b) No farm marketing quota with respect to any crop of corn shall be applicable to any farm on which the normal production of the acreage planted to corn is less than three hundred bushels (7 U. S. C. 1323 (b)).

[PUBLIC LAW 74, 77th Cong.—* * * notwithstanding the provisions of the Agricultural Adjustment Act of 1938, as amended (hereinafter referred to as the Act)—

(1) The farm marketing quota under the Act for any crop of wheat shall be the actual production of the acreage planted to wheat on the farm, less the normal production or the actual production, whichever is the smaller, of that acreage planted to wheat on the farm which is in excess of the farm acreage allotment for wheat. The farm marketing quota under the Act for any crop of corn shall be the actual production of the acreage planted to corn on the farm, less the normal production or the actual production, whichever is the smaller, of that acreage planted to corn on the farm which is in excess of the farm acreage allotment for corn.

The normal production, or the actual production, whichever is the smaller, of such excess acreage is hereinafter called the "farm marketing excess" of corn or wheat, as the case may be. For the purposes of this resolution, "actual production" of any number of acres of corn or wheat on a farm means the actual average yield of corn or wheat, as the case may be, for the farm times such number of acres.

(2) During any marketing year for which quotas are in effect, the producer shall be subject to a penalty on the farm marketing excess of corn and wheat. The rate of the penalty shall be 50 per centum of the basic rate of the loan on the commodity for cooperators for such marketing year under section 302 of the Act and this resolution.

(3) The farm marketing excess for corn and wheat shall be regarded as available for marketing, and the penalty and the storage

amount or amounts to be delivered to the Secretary of the commodity shall be computed upon the normal production of the excess acreage. Where, upon the application of the producer for an adjustment of penalty or of storage, it is shown to the satisfaction of the Secretary that the actual production of the excess acreage is less than the normal production thereof, the difference between the amount of the penalty or storage as computed upon the basis of normal production and as computed upon the basis of actual production shall be returned to or allowed the producer. The Secretary shall issue regulations under which the farm marketing excess of the commodity for the farm may be stored or delivered to him. Upon failure to store or deliver to the Secretary the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary, the penalty computed as aforesaid shall be paid by the producer. Any corn or wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or in foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce.

(4) Until the producers on any farm store, deliver to the Secretary, or pay the penalty on, the farm marketing excess of any crop of corn or wheat, the entire crop of corn or wheat, as the case may be, produced on the farm shall be subject to a lien in favor of the United States for the amount of the penalty.

(5) The penalty upon corn or wheat stored shall be paid by the producer at the time, and to the extent, of any depletion in the amount of the commodity so stored, except depletion resulting from some cause beyond the control of the producer.

(6) Whenever the planted acreage of the then current crop of corn or wheat on any farm is less than the farm acreage allotment for such commodity, the total amount of the commodity from any previous crops required to be stored in order to postpone or avoid payment of penalty shall be reduced by that amount which is equal to the normal production of the number of acres by which the farm acreage allotment exceeds the planted acreage. The provisions of section 326 (b) and (c) of the Act shall be applicable also to wheat.

(7) A farm marketing quota on corn or wheat shall not be applicable to any farm on which the acreage planted to the commodity is not in excess of 15 acres. The marketing penalty on corn or wheat shall not be applicable to any farm which, under the terms of the then current agricultural conservation program formulated under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, is classified as a nonallotment farm if the acreage of the commodity harvested on such nonallotment farm is not in excess of 15 acres or the acreage allotment for the farm, whichever is larger. If the acreage of the commodity harvested on any such nonallotment farm is in excess of 15 acres and in excess of such acreage allotment, the normal production or the actual production, whichever is the smaller, of the acreage harvested in excess of 15 acres or such acreage allotment, whichever is larger, shall be taken as the farm marketing excess and shall be subject to penalty: *Provided*, That there shall be no penalty on wheat harvested on any such nonallotment farm from which no wheat is sold if the acreage of wheat harvested on such farm does not exceed such acreage per family living thereon as may be used

for home consumption without reducing the payment with respect to the farm under the then current agricultural conservation program: *Provided further*, That for the marketing year beginning in 1941, there shall be no marketing penalty on wheat with respect to any such non-allotment farm if the acreage of wheat harvested on the farm is not in excess of the usual acreage determined for the farm under the 1941 agricultural conservation program and the county committee determines, in accordance with regulations of the Secretary, that there will not be marketed an amount of wheat in excess of the 1941 farm marketing quota.

(8) Until the farm marketing excess of corn or wheat, as the case may be, is stored or delivered to the Secretary or the penalty thereon is paid, each bushel of the commodity produced on the farm which is sold by the producer to any person within the United States shall be subject to the penalty as specified in paragraph (2) of this resolution. Such penalty shall be paid by the buyer, who may deduct an amount equivalent to the penalty from the price paid to the producer.

(9) (Not applicable to corn.)

(10) (Applicable only through the 1946 crop.)

(11) The provisions of this resolution are amendatory of and supplementary to the Act, and all provisions of law applicable in respect of marketing quotas and loans under such Act as so amended and supplemented shall be applicable, but nothing in this resolution shall be construed to amend or repeal section 301 (b) (6), 323 (b), or 335 (d) of the Act.

(12) (Not applicable to corn.) [(7 U. S. C. 1330).]

STORAGE AMOUNT

SEC. 324. (a) If the acreage of corn on the farm does not exceed the marketing percentage of the farm acreage allotment, there shall be no storage amount (7 U. S. C. 1324 (a)).

(b) If the acreage of corn on the farm exceeds the marketing percentage of the farm acreage allotment, the storage amount shall be a number of bushels equal to the smallest of the following amounts—

(1) The normal production of the acreage of corn on the farm in excess of the marketing percentage of the farm acreage allotment;

(2) The amount by which the actual production of the acreage of corn on the farm exceeds the normal production of the marketing percentage of the farm acreage allotment; or

(3) The amount of the actual production of the acreage of corn on the farm not used for silage (7 U. S. C. 1324 (b)).

(c) If the storage amount ascertained under subsection (b) is less than 100 bushels, there shall be no storage amount (7 U. S. C. 1324 (c)).

PENALTIES

SEC. 325. (a) Any farmer who, while any farm marketing quota is in effect for his farm with respect to any crop of corn, markets corn produced on the farm in an amount which is in excess of the aggregate of the farm marketing quotas for the farm in effect at such time, shall be subject to a penalty of 15 cents per bushel of the excess so marketed.¹ Liability for such penalty shall not accrue until the

¹ See par. (2) of Public Law 74, 77th Cong., p. 36.

amount of corn stored under seal on such farm or in storage cribs rented by the farmer or under his control is less than the storage amount applicable to such crop plus the storage amounts, if any, applicable to other crops (7 U. S. C. 1325 (a)).

(b) If there is stored under seal on the farm or in such cribs an amount of corn equal at least to the storage amount applicable to such crop plus such storage amounts applicable to such other crops, the farmer shall be presumed not to be violating the provisions of subsection (a). When the amount of corn stored under seal on the farm or in such cribs is less than the storage amount applicable to such crop plus such storage amounts applicable to such other crops, the farmer shall be presumed to have marketed, while farm marketing quotas were in effect, corn in violation of the provisions of subsection (a) to the extent that the amount of corn so stored is less than the aggregate of such storage amounts. In any action brought to enforce the collection of penalties provided for in this section, the farmer, to the extent that the amount of corn so stored is less than the aggregate of such storage amounts shall have the burden of proving that he did not market corn in violation of the provisions of subsection (a) (7 U. S. C. 1325 (b)).

(c) For the purposes of this Part, corn shall be deemed to be stored by the farmer under seal only if stored in such manner as to conform to the requirements of such regulations as the Secretary shall prescribe in order more effectively to administer this Part (7 U. S. C. 1325 (c)).

ADJUSTMENT OF FARM MARKETING QUOTAS

SEC. 326. (a) Whenever in any county or other area the Secretary finds that the actual production of corn plus the amount of corn stored under seal in such county or other area is less than the normal production of the marketing percentage of the farm acreage allotments in such county or other area, the Secretary shall terminate farm marketing quotas for corn in such county or other area (7 U. S. C. 1326 (a)).

(b) Whenever, upon any farm, the actual production of the acreage of corn is less than the normal production of the marketing percentage of the farm acreage allotment, there may be marketed, without penalty, from such farm an amount of corn from the corn stored under seal pursuant to section 324 which, together with the actual production of the then current crop, will equal the normal production of the marketing percentage of the farm acreage allotment (7 U. S. C. 1326 (b)).

(c) Whenever, in any marketing year, marketing quotas are not in effect with respect to the crop of corn produced in the calendar year in which such marketing year begins, all marketing quotas applicable to previous crops of corn shall be terminated (7 U. S. C. 1326 (c)).

PROCLAMATIONS OF SUPPLIES AND COMMERCIAL CORN-PRODUCING AREA

SEC. 327. Not later than September 1, the Secretary shall ascertain and proclaim the total supply, the normal supply, and the reserve supply level for such marketing year. Not later than February 1, the Secretary shall ascertain and proclaim the commercial corn-producing area (7 U. S. C. 1327).

ACREAGE ALLOTMENT

SEC. 328. The acreage allotment of corn for any calendar year shall be that acreage in the commercial corn-producing area which, on the basis of the average yield for corn in such area during the ten calendar years immediately preceding such calendar year, adjusted for abnormal weather conditions and trends in yield, will produce an amount of corn in such area which the Secretary determines will, together with corn produced in the United States outside the commercial corn-producing area or imported, make available a supply for the marketing year beginning in such calendar year, equal to the normal supply. The Secretary shall proclaim such acreage allotment not later than February 1 of the calendar year for which such acreage allotment was determined (7 U. S. C. 1328).

APPORTIONMENT OF ACREAGE ALLOTMENT

SEC. 329. (a) The acreage allotment for corn shall be apportioned by the Secretary among the counties in the commercial corn-producing area on the basis of the acreage seeded for the production of corn during the ten calendar years immediately preceding the calendar year in which the apportionment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total acreage allotment that would otherwise be made to such county (7 U. S. C. 1329 (a)).

(b) The acreage allotment to the county for corn shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of tillable acreage, crop-rotation practices, type of soil, and topography (7 U. S. C. 1329 (b)).

PART III—MARKETING QUOTAS—WHEAT

LEGISLATIVE FINDINGS

SEC. 331. Wheat is a basic source of food for the Nation, is produced throughout the United States by more than a million farmers, is sold on the country-wide market and, as wheat or flour, flows almost entirely through instrumentalities of interstate and foreign commerce from producers to consumers.

Abnormally excessive and abnormally deficient supplies of wheat on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce. Abnormally excessive supplies overtax the facilities of interstate and foreign transportation, congest terminal markets and milling centers in the flow of wheat from producers to consumers, depress the price of wheat in interstate and foreign commerce, and otherwise disrupt the orderly marketing of such commodity in such commerce. Abnormally deficient supplies result in an inadequate flow of wheat and its products in interstate and foreign commerce with consequent injurious effects to the instrumentalities of such commerce and with excessive increases in the prices of wheat and its products in interstate and foreign commerce.

It is in the interest of the general welfare that interstate and foreign commerce in wheat and its products be protected from such burdensome surpluses and distressing shortages, and that a supply of wheat be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of such burdensome surpluses. Such surpluses result in disastrously low prices of wheat and other grains to wheat producers, destroy the purchasing power of grain producers for industrial products, and reduce the value of the agricultural assets supporting the national credit structure. Such shortages of wheat result in unreasonably high prices of flour and bread to consumers and loss of market outlets by wheat producers.

The conditions affecting the production and marketing of wheat are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of such surpluses and shortages and the burdens on interstate and foreign commerce resulting therefrom, maintain normal supplies of wheat, or provide for the orderly marketing thereof in interstate and foreign commerce.

The provisions of this Part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, and provide for an adequate flow of wheat and its products in interstate and foreign commerce. The provisions hereof for regulation of marketings by producers of wheat whenever an abnormally excessive supply of such commodity exists are necessary in order to maintain an orderly flow of wheat in interstate and foreign commerce under such conditions (7 U. S. C. 1331).

PROCLAMATIONS OF SUPPLIES AND ALLOTMENTS

SEC. 332. Not later than July 15 of each marketing year for wheat, the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat for such marketing year, and the national acreage allotment for the next crop of wheat (7 U. S. C. 1332).

NATIONAL ACREAGE ALLOTMENT

SEC. 333. The national acreage allotment for any crop of wheat shall be that acreage which the Secretary determines will, on the basis of the national average yield for wheat, produce an amount thereof adequate, together with the estimated carry-over at the beginning of the marketing year for such crop and imports, to make available a supply for such marketing year equal to a normal year's domestic consumption and exports plus 30 per centum thereof. The national acreage allotment for wheat for any year shall be not less than 55 million acres (7 U. S. C. 1333).

APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 334. (a) The national acreage allotment for wheat shall be apportioned by the Secretary among the several States on the basis

of the acreage seeded for the production of wheat during the 10 calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period (7 U. S. C. 1334 (a)).

(b) The State acreage allotment for wheat shall be apportioned by the Secretary among the counties in the State, on the basis of the acreage seeded for the production of wheat during the 10 calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such period and for the promotion of soil-conservation practices (7 U. S. C. 1334 (b)).

(c) The allotment to the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 per centum of such county allotment shall be apportioned to farms on which wheat has not been planted during any of the three marketing years immediately preceding the marketing year in which the allotment is made (7 U. S. C. 1334 (c)).

[PUBLIC LAW 272, Eighty-first Congress.—Notwithstanding any other provision of law, the farm acreage allotment of wheat for the 1950 crop for any farm shall not be less than the larger of—

(A) 50 per centum of—

(1) the acreage on the farm seeded for the production of wheat in 1949, and

(2) any other acreage seeded for the production of wheat in 1948 which was fallowed and from which no crop was harvested in the calendar year 1949, or

(B) 50 per centum of—

(1) the acreage on the farm seeded for the production of wheat in 1948, and

(2) any other acreage seeded for the production of wheat in 1947 which was fallowed and from which no crop was harvested in the calendar year 1948,

adjusted in the same ratio as the national average seedings for the production of wheat during the 10 calendar years 1939–48 (adjusted as provided by the Agricultural Adjustment Act of 1938, as amended) bears to the national acreage allotment for wheat for the 1950 crop: *Provided*, That no acreage shall be included under (A) or (B) which the Secretary, by appropriate regulations, determines will become an undue erosion hazard under continued farming. To the extent that the allotment to any county is insufficient to provide for such minimum farm allotments, the Secretary shall allot such county such additional acreage (which shall be in addition to the county, State, and national acreage allotments otherwise provided for under the Agricultural Adjustment Act of 1938, as amended) as may be necessary in order to provide for such minimum farm allotments (Aug. 29, 1949, 63 Stat. 670).]

[PUBLIC LAW 12, Seventy-ninth Congress—* * * in establishing acreage allotments under subtitle B of title III of the Agricultural

Adjustment Act of 1938, as amended, or under the Soil Conservation and Domestic Allotment Act, as amended, the Secretary of Agriculture, under regulations prescribed by him, may provide that for any crop year (beginning with the crop year 1945) during the present emergency [terminated July 25, 1947, 61 Stat. 451] any farm, with respect to which a cotton, wheat, or peanut allotment was established for the 1942 crop, shall be regarded as a farm on which cotton, wheat, or peanuts, as the case may be, were planted and grown, if the Secretary determines that, with respect to cotton or wheat, because of the production of war crops designated by him on such farm, or, with respect to cotton, wheat, or peanuts, because the owner or operator was serving in the armed forces of the United States, the cotton, wheat, or peanut production history of the farm for such year is not representative of the normal history of the farm.

The Secretary may also provide with respect to any such farm that the past acreage of peanuts shall be adjusted upward to the extent that the acreage used for growing peanuts on such farm in such year is below the normal history of the farm (February 28, 1945, 59 Stat. 9).]

(d) Notwithstanding any other provision of this section, the allotments established, or which would have been established, for any farm acquired in 1940 or thereafter by the United States for national-defense purposes shall be placed in an allotment pool and shall be used only to establish allotments for other farms owned or acquired by the owner of the farm so acquired by the United States. The allotment so made for any farm, including a farm on which wheat has not been planted during any of the three marketing years preceding the marketing year in which the allotment is made, shall compare with the allotments established for other farms in the same area which are similar except for the past acreage of wheat (7 U. S. C. 1334 (d)).

MARKETING QUOTAS

SEC. 335. (a) Whenever in any calendar year the Secretary determines—

(1) that the total supply of wheat for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 20 per centum; or

(2) that the total supply of wheat for the marketing year ending in such calendar year is not less than the normal supply for the marketing year so ending, and that the average farm price for wheat for three successive months of the marketing year so ending does not exceed 66 per centum of parity

the Secretary shall, not later than July 1 of such calendar year, proclaim such fact and, during the marketing year beginning July 1 of the next succeeding calendar year and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of wheat. Marketing quotas for any marketing year shall be in effect with respect to wheat harvested in the calendar year in which such marketing year begins notwithstanding that the wheat is marketed prior to the beginning of such marketing year (7 U. S. C. 1335 (a)).

(b) The amount of the national marketing quota for wheat shall be equal to a normal year's domestic consumption and exports plus

30 per centum thereof, less the sum of (1) the estimated carry-over of wheat as of the beginning of the marketing year with respect to which the quota is proclaimed and (2) the estimated amount of wheat which will be used on farms as seed or livestock feed during the marketing year (7 U. S. C. 1335 (b)).

(c) The farm marketing quota for any farm for any marketing year shall be a number of bushels of wheat equal to the sum of—

(1) A number of bushels equal to the normal production or the actual production, whichever is the greater, of the farm acreage allotment; and

(2) A number of bushels equal to the amount, or part thereof, of wheat from any previous crop which the farmer has on hand which, had such amount, or part thereof, been marketed during the preceding marketing year in addition to the wheat actually marketed during such preceding marketing year, could have been marketed without penalty.

(3) Any farmer who does not market wheat in excess of the normal production or the actual production, whichever is the greater, of the farm acreage allotment shall not be subject to penalty under the provisions of section 339. Any farmer who stores, in accordance with regulations issued by the Secretary, an amount of wheat which is less than the amount subject to penalty, shall be presumed to have marketed the amount of such wheat subject to penalty which is not so stored (7 U. S. C. 1335 (c)).

[PUBLIC LAW 74, Seventy-seventh Congress—* * * notwithstanding the provisions of the Agricultural Adjustment Act of 1938, as amended (hereinafter referred to as the Act)—

(1) The farm marketing quota under the Act for any crop of wheat shall be the actual production of the acreage planted to wheat on the farm, less the normal production or the actual production, whichever is the smaller, of that acreage planted to wheat on the farm which is in excess of the farm acreage allotment for wheat. The farm marketing quota under the Act for any crop of corn shall be the actual production of the acreage planted to corn on the farm, less the normal production or the actual production, whichever is the smaller, of that acreage planted to corn on the farm which is in excess of the farm acreage allotment for corn.

The normal production, or the actual production, whichever is the smaller, of such excess acreage is hereinafter called the "farm marketing excess" of corn or wheat, as the case may be. For the purposes of this resolution, "actual production" of any number of acres of corn or wheat on a farm means the actual average yield of corn or wheat, as the case may be, for the farm times such number of acres.

(2) During any marketing year for which quotas are in effect, the producer shall be subject to a penalty on the farm marketing excess of corn and wheat. The rate of the penalty shall be 50 per centum of the basic rate of the loan on the commodity for cooperators for such marketing year under section 302 of the Act and this resolution.

(3) The farm marketing excess for corn and wheat shall be regarded as available for marketing, and the penalty and the storage amount or amounts to be delivered to the Secretary of the commodity shall be computed upon the normal production of the excess acreage. Where, upon the application of the producer for an adjustment of

penalty or of storage, it is shown to the satisfaction of the Secretary that the actual production of the excess acreage is less than the normal production thereof, the difference between the amount of the penalty or storage as computed upon the basis of normal production and as computed upon the basis of actual production shall be returned to or allowed the producer. The Secretary shall issue regulations under which the farm marketing excess of the commodity for the farm may be stored or delivered to him. Upon failure to store or deliver to the Secretary the farm marketing excess within such time as may be determined under regulations prescribed by the Secretary, the penalty computed as aforesaid shall be paid by the producer. Any corn or wheat delivered to the Secretary hereunder shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or in foreign countries or in such other manner as he shall determine will divert it from the normal channels of trade and commerce.

(4) Until the producers on any farm store, deliver to the Secretary, or pay the penalty on, the farm marketing excess of any crop of corn or wheat, the entire crop of corn or wheat, as the case may be, produced on the farm shall be subject to a lien in favor of the United States for the amount of the penalty.

(5) The penalty upon corn or wheat stored shall be paid by the producer at the time, and to the extent, of any depletion in the amount of the commodity so stored, except depletion resulting from some cause beyond the control of the producer.

(6) Whenever the planted acreage of the then current crop of corn or wheat on any farm is less than the farm acreage allotment for such commodity, the total amount of the commodity from any previous crops required to be stored in order to postpone or avoid payment of penalty shall be reduced by that amount which is equal to the normal production of the number of acres by which the farm acreage allotment exceeds the planted acreage. The provisions of section 326 (b) and (c) of the Act shall be applicable also to wheat.

(7) A farm marketing quota on corn or wheat shall not be applicable to any farm on which the acreage planted to the commodity is not in excess of 15 acres. The marketing penalty on corn or wheat shall not be applicable to any farm which, under the terms of the then current agricultural conservation program formulated under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, is classified as a nonallotment farm if the acreage of the commodity harvested on such nonallotment farm is not in excess of 15 acres or the acreage allotment for the farm, whichever is larger. If the acreage of the commodity harvested on any such nonallotment farm is in excess of 15 acres and in excess of such acreage allotment, the normal production or the actual production, whichever is the smaller, of the acreage harvested in excess of 15 acres or such acreage allotment, whichever is larger, shall be taken as the farm marketing excess and shall be subject to penalty: *Provided*, That there shall be no penalty on wheat harvested on any such nonallotment farm from which no wheat is sold if the acreage of wheat harvested on such farm does not exceed such acreage per family living thereon as may be used for home consumption without reducing the payment with respect to the farm under the then current agricultural conservation program:

Provided further, That for the marketing year beginning in 1941, there shall be no marketing penalty on wheat with respect to any such nonallotment farm if the acreage of wheat harvested on the farm is not in excess of the usual acreage determined for the farm under the 1941 agricultural conservation program and the county committee determines, in accordance with regulations of the Secretary, that there will not be marketed an amount of wheat in excess of the 1941 farm marketing quota.

(8) Until the farm marketing excess of corn or wheat, as the case may be, is stored or delivered to the Secretary or the penalty thereon is paid, each bushel of the commodity produced on the farm which is sold by the producer to any person within the United States shall be subject to the penalty as specified in paragraph (2) of this resolution. Such penalty shall be paid by the buyer, who may deduct an amount equivalent to the penalty from the price paid to the producer.

(9) (Not applicable to wheat.)

(10) (Applicable only through the 1946 crop.)

(11) The provisions of this resolution are amendatory of and supplementary to the Act, and all provisions of law applicable in respect of marketing quotas and loans under such Act as so amended and supplemented shall be applicable, but nothing in this resolution shall be construed to amend or repeal section 301 (b) (6), 323 (b), or 335 (d) of the Act.

(12) Notwithstanding any of the foregoing provisions, the farm marketing excess for any crop of wheat for any farm shall not be larger than the amount by which the actual production of such crop of wheat on the farm exceeds the normal production of the farm wheat-acreage allotment, if the producer establishes such actual production to the satisfaction of the Secretary. Where a downward adjustment in the amount of the farm marketing excess is made pursuant to the provisions of this paragraph, the difference between the amount of the penalty or storage as computed upon the farm marketing excess before such adjustment and as computed upon the adjusted farm marketing excess shall be returned to or allowed the producer (7 U. S. C. 1330, 1340).]

(d) No farm marketing quota with respect to wheat shall be applicable in any marketing year to any farm on which the normal production of the acreage planted to wheat of the current crop is less than 200 bushels (7 U. S. C. 1335 (d)).

REFERENDUM

SEC. 336. Between the date of the issuance of any proclamation of any national marketing quota for wheat and July 25, the Secretary shall conduct a referendum, by secret ballot, of farmers who will be subject to the quota specified therein to determine whether such farmers favor or oppose such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the effective date of such quota, by proclamation suspend the operation of the national marketing quotas with respect to wheat (7 U. S. C. 1336).

ADJUSTMENT AND SUSPENSION OF QUOTAS

SEC. 337. (a) If the total supply as proclaimed by the Secretary within 45 days after the beginning of the marketing year is less than that specified in the proclamation by the Secretary under section 335 (a), then the national marketing quota specified in the proclamation under such section shall be increased accordingly (7 U. S. C. 1337 (a)).

(b) Whenever it shall appear from either the July or the August production estimates, officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of wheat as of the beginning of the marketing year was less than a normal year's domestic consumption and exports plus 30 per centum thereof, the Secretary shall proclaim such fact prior to July 20, or August 20, as the case may be, if farm marketing quotas have been announced with respect to the crop grown in such calendar year. Thereupon such quotas shall become ineffective (7 U. S. C. 1337 (b)).

TRANSFER OF QUOTAS

SEC. 338. Farm marketing quotas for wheat shall not be transferable, but, in accordance with regulations prescribed by the Secretary for such purpose, any farm marketing quota in excess of the supply of wheat for such farm for any marketing year may be allocated to other farms on which the acreage allotment has not been exceeded (7 U. S. C. 1338).

PENALTIES

SEC. 339. Any farmer who, while farm marketing quotas are in effect, markets wheat in excess of the farm marketing quota for the farm on which such wheat was produced, shall be subject to a penalty of 15 cents per bushel of the excess so marketed² (7 U. S. C. 1339).

PART IV—MARKETING QUOTAS—COTTON

LEGISLATIVE FINDINGS

SEC. 341. American cotton is a basic source of clothing and industrial products used by every person in the United States and by substantial numbers of people in foreign countries. American cotton is sold on a world-wide market and moves from the places of production almost entirely in interstate and foreign commerce to processing establishments located throughout the world at places outside the State where the cotton is produced.

Fluctuations in supplies of cotton and the marketing of excessive supplies of cotton in interstate and foreign commerce disrupt the orderly marketing of cotton in such commerce with consequent injury to and destruction of such commerce. Excessive supplies of cotton directly and materially affect the volume of cotton moving in interstate and foreign commerce and cause disparity in prices of cotton and

² See paragraph (2) of Public Law 74, 77th Cong., p. 44.

industrial products moving in interstate and foreign commerce with consequent diminution of the volume of such commerce in industrial products.

The conditions affecting the production and marketing of cotton are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of excessive supplies of cotton and fluctuations in supplies, cannot prevent indiscriminate dumping of excessive supplies on the Nation-wide and foreign markets, cannot maintain normal carry-overs of cotton, and cannot provide for the orderly marketing of cotton in interstate and foreign commerce.

It is in the interest of the general welfare that interstate and foreign commerce in cotton be protected from the burdens caused by the marketing of excessive supplies of cotton in such commerce, that a supply of cotton be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of excessive supplies of cotton.

The provisions of this Part affording a cooperative plan to cotton producers are necessary and appropriate to prevent the burdens on interstate and foreign commerce caused by the marketing in such commerce of excessive supplies, and to promote, foster, and maintain an orderly flow of an adequate supply of cotton in such commerce (7 U. S. C. 1341).

NATIONAL MARKETING QUOTA

SEC. 342. Whenever during any calendar year the Secretary determines that the total supply of cotton for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the number of bales of cotton (standard bales of 500 pounds gross weight) adequate, together with (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year and (2) the estimated imports during such marketing year, to make available a normal supply of cotton. The national marketing quota for any year shall be not less than 10 million bales or 1 million bales less than the estimated domestic consumption plus exports of cotton for the marketing year ending in the calendar year in which such quota is proclaimed, whichever is smaller: *Provided*, That the national marketing quota for 1950 shall be not less than the number of bales required to provide a national acreage allotment of 21 million acres. Such proclamation shall be made not later than October 15 of the calendar year in which such determination is made (7 U. S. C. 1342).

REFERENDUM

SEC. 343. Not later than December 15 following the issuance of the marketing quota proclamation provided for in section 342, the Secretary shall conduct a referendum, by secret ballot, of farmers engaged in the production of cotton in the calendar year in which the referendum is held, to determine whether such farmers are in favor of or op-

posed to the quota so proclaimed: *Provided*, That if marketing quotas are proclaimed for the 1950 crop, farmers eligible to vote in the referendum held with respect to such crop shall be those farmers who were engaged in the production of cotton in the calendar year of 1948. If more than one-third of the farmers voting in the referendum oppose the national marketing quota, such quota shall become ineffective upon proclamation of the results of the referendum. The Secretary shall proclaim the results of any referendum held hereunder within 30 days after the date of such referendum (7 U. S. C. 1343).

ACREAGE ALLOTMENTS

SEC. 344. (a) Whenever a national marketing quota is proclaimed under section 342, the Secretary shall determine and proclaim a national acreage allotment for the crop of cotton to be produced in the next calendar year. The national acreage allotment for cotton shall be that acreage, based upon the national average yield per acre of cotton for the 5 years immediately preceding the calendar year in which the national marketing quota is proclaimed, required to make available from such crop an amount of cotton equal to the national marketing quota (7 U. S. C. 1344 (a)).

(b) The national acreage allotment for cotton for 1953 and subsequent years shall be apportioned to the States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) during the 5 calendar years immediately preceding the calendar year in which the national marketing quota is proclaimed, with adjustments for abnormal weather conditions during such period (7 U. S. C. 1344 (b)).

[Public Law 12, Seventy-ninth Congress— * * * in establishing acreage allotments under subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, or under the Soil Conservation and Domestic Allotment Act, as amended, the Secretary of Agriculture, under regulations prescribed by him, may provide that for any crop year (beginning with the crop year 1945) during the present emergency [terminated July 25, 1947, 61 Stat. 451] any farm, with respect to which a cotton, wheat, or peanut allotment was established for the 1942 crop, shall be regarded as a farm on which cotton, wheat, or peanuts, as the case may be, were planted and grown, if the Secretary determines that, with respect to cotton or wheat, because of the production of war crops designated by him on such farm, or, with respect to cotton, wheat, or peanuts, because the owner or operator was serving in the armed forces of the United States, the cotton, wheat, or peanut production history of the farm for such year is not representative of the normal history of the farm.

The Secretary may also provide with respect to any such farm that the past acreage of peanuts shall be adjusted upward to the extent that the acreage used for growing peanuts on such farm in such year is below the normal history of the farm (February 28, 1945, 59 Stat. 9).]

(c) The national acreage allotments for cotton for the years 1950 and 1951 shall be apportioned to the States on the basis of a national acreage allotment base of 22,500,000 acres, computed and adjusted as follows:

(1) The average of the planted acreages (including acreage regarded as planted under the provisions of Public Law 12,

Seventy-ninth Congress) in the States for the years 1945, 1946, 1947, and 1948 shall constitute the national base; except that in the case of any State having a 1948 planted cotton acreage of over 1 million acres and less than 50 per centum of the 1943 allotment, the average of the acreage planted (or regarded as planted under Public Law 12, Seventy-ninth Congress) for the years 1944, 1945, 1946, 1947, and 1948 shall constitute the base for such State and shall be included in computing the national base; to this is to be added (A) the estimated additional acreage for each State required for small-farm allotments under subsection (f) (1) of this section; (B) the acreage required as a result of the State adjustment provisions of paragraph (2) of this subsection; (C) the additional acreage required to determine a total national allotment base of 22,500,000 acres, which additional acreage shall be distributed on a proportionate basis among States receiving no adjustment under paragraph (2) of this subsection.

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the acreage allotment base for 1950 and 1951 for any State (on the basis of a national acreage allotment base of 22,500,000 acres) shall not be less than the larger of (1) 95 per centum of the average acreage actually planted to cotton in the State during the years 1947 and 1948, or (2) 85 per centum of the acreage planted to cotton in the State in 1948.

(3) If the national acreage allotment for 1950 or 1951 is more or less than 22,500,000 acres, horizontal adjustments shall be made percentage-wise by States so as to reflect the ratio of the national acreage allotment for 1950 and 1951 to 22,500,000 acres (7 U. S. C. 1344 (c)).

(d) The national acreage allotment for cotton for 1952 shall be apportioned to States on the basis of the acreage planted to cotton (including the acreage regarded as having been planted to cotton under the provisions of Public Law 12, Seventy-ninth Congress) during the years 1946, 1947, 1948, and 1950, with adjustments for abnormal weather conditions during such period (7 U. S. C. 1344 (d)).

(e) The State acreage allotment for cotton shall be apportioned to counties on the same basis as to years and conditions as is applicable to the State under subsections (b), (c), and (d) of this section: *Provided*, That the State committee may reserve not to exceed 10 per centum of its State acreage allotment (15 per centum if the State's 1948 planted acreage was in excess of 1 million acres and less than half its 1943 allotment) which shall be used to make adjustments in county allotments for trends in acreage, for counties adversely affected by abnormal conditions affecting plantings, or for small or new farms (7 U. S. C. 1344 (e)).

(f) The county acreage allotment, less not to exceed the percentage provided for in paragraph 3 of this subsection, shall be apportioned to farms on which cotton has been planted (or regarded as having been planted under the provisions of Public Law 12, Seventy-ninth Congress) in any 1 of the 3 years immediately preceding the year for which such allotment is determined on the following basis:

(1) There shall be allotted the smaller of the following: (A) 5 acres; or (B) the highest number of acres planted (or regarded as planted under Public Law 12, 79th Cong.) to cotton in any year of such 3-year period.

(2) The remainder shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) so that the allotment to each farm under this paragraph together with the amount of the allotment to such farm under paragraph (1) (A) shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreages the acres devoted to the production of sugarcane for sugar; sugar beets for sugar; wheat, tobacco, or rice for market; peanuts picked and threshed; wheat or rice for feeding to livestock for market; or lands determined to be devoted primarily to orchards or vineyards, and nonirrigated lands in irrigated areas: *Provided, however*, That if a farm would be allotted under this paragraph an acreage together with the amount of the allotment to such farm under paragraph (1) (A) in excess of the largest acreage planted (and regarded as planted under Public Law 12, 79th Cong.) to cotton during any of the preceding 3 years, the acreage allotment for such farm shall not exceed such largest acreage so planted (and regarded as planted under Public Law 12, 79th Cong.) in any such year.

(3) The county committee may reserve not in excess of 15 per centum of the county allotment * * * which, in addition to the acreage made available under the proviso in subsection (e), shall be used for (A) establishing allotments for farms on which cotton was not planted (or regarded as planted under Public Law 12, 79th Cong.) during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton, crop-rotation practices, and the soil and other physical facilities affecting the production of cotton; and (B) making adjustments of the farm acreage allotments established under paragraphs (1) and (2) of this subsection so as to establish allotments which are fair and reasonable in relation to the factors set forth in this paragraph and abnormal conditions of production on such farms: *Provided*, That not less than 20 per centum of the acreage reserved under this subsection shall, to the extent required, be allotted, upon such basis as the Secretary deems fair and reasonable to farms (other than farms to which an allotment has been made under subsection (f) (1) (B)), if any, to which an allotment of not exceeding 15 acres may be made under other provisions of this subsection.

(4) Any part of the acreage allotted for 1950 to individual farms in any county under the provisions of this section which will not be planted to cotton and which is voluntarily surrendered to the county committee shall be deducted from the allotments to such farms and may be reapportioned by the county committee to other farms in the same county receiving allotments to the extent necessary to provide such farms with the allotments authorized under paragraph (5) of this subsection. If any acreage remains after providing such allotments, it may be apportioned in amounts determined by the county committee to be fair and reasonable to other farms in the same county receiving allotments which the county committee determines are inadequate and not representa-

tive in view of their past production of cotton and to new farms in such county. No allotment shall be made, or increased, by reason of this paragraph to an acreage in excess of 40 per centum of the acreage on the farm which is tilled annually or in regular rotation, as determined under regulations prescribed by the Secretary. Any transfer of allotment under this paragraph shall not operate to reduce the allotment for any subsequent year for the farm from which acreage is transferred, except in accordance with paragraph (1) (B) and the proviso in paragraph (2) of this subsection: *Provided*, That any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm and may be reapportioned in the manner set forth above. In any subsequent year, unless hereafter otherwise provided by law, acreage surrendered under this paragraph and reallocated pursuant to applications filed in accordance with the provisions of paragraph (5) of this section shall be credited to the State and county in determining acreage allotments.

(5) Notwithstanding any other provision of law and without reducing any farm acreage allotment determined pursuant to the foregoing provisions of this subsection, each farm acreage allotment for 1950 shall be increased by such amount as may be necessary to provide an allotment equal to the larger of 65 per centum of the average acreage planted to cotton (or regarded as planted to cotton under the provisions of Public Law 12, 79th Cong.) on the farm in 1946, 1947, and 1948, or 45 per centum of the highest acreage planted to cotton (or regarded as planted to cotton under Public Law 12, 79th Cong.) on the farm in any one of such 3 years; but no such allotment shall be increased by reason of this provision to an acreage in excess of 40 per centum of the acreage on the farm which is tilled annually or in regular rotation, as determined under regulations prescribed by the Secretary. An increase in any 1950 farm acreage allotment shall be made pursuant to this paragraph only upon application in writing by the owner or operator of the farm within such reasonable period of time (in no event less than 15 days) as may be prescribed by the Secretary. The additional acreage required to be allotted to farms under this paragraph shall be in addition to the county, State, and national acreage allotments and the production from such acreage shall be in addition to the national marketing quota. The additional acreage authorized by this paragraph shall not be taken into account in establishing future State, county, and farm acreage allotments (7 U. S. C. 1344 (f)).

(g) Notwithstanding the foregoing provisions of this section—

(1) State, county, and farm acreage allotments and yields for cotton shall be established in conformity with Public Law 28, Eighty-first Congress.

(2) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

(3) For any farm on which the acreage planted to cotton in any year is less than the farm acreage allotment for such year by not more than the larger of 10 per centum of the allotment or 1 acre, an acreage equal to the farm acreage allotment shall be deemed to be the acreage planted to cotton on such farm, and the additional acreage added to the cotton acreage history for the farm shall be added to the cotton acreage history for the county and State (7 U. S. C. 1344 (g)).

[PUBLIC LAW 28, Eighty-first Congress.—* * * notwithstanding the provisions of title III of the Agricultural Adjustment Act of 1938, as amended, or of any other law, State, county, and farm acreage allotments and yields for cotton for any year after 1949 shall be computed without regard to yields or to the acreage planted to cotton in 1949 (March 29, 1949, 63 Stat. 17; 7 U. S. C. 1344a).]

(h) Notwithstanding any other provision of this section, the county committee, upon application by the owner or operator of the farm, (1) may establish an allotment for any cotton farm acquired in 1940 or thereafter for nonfarming purposes by the United States or any State or agency thereof which has been returned to agricultural production but which is not eligible for an allotment under paragraph (1) or (2) of subsection (f) of this section, and (2) shall establish an allotment for any farm within the State owned or operated by the person from whom a cotton farm was acquired in such State in 1940 or thereafter for a governmental or other public purpose: *Provided*, That no allotment shall be established for any such farm unless application therefor is filed within 3 years after acquisition of such farm by the applicant or within 3 years after the enactment of this Act, whichever period is longer: *And provided further*, That no person shall be entitled to receive an allotment under both (1) and (2) of this subsection. The allotment so made for any such farm shall compare with the allotments established for other farms in the same area which are similar, taking into consideration the acreage allotment, if any, of the farm so acquired, the land, labor, and equipment available for the production of cotton, crop rotation practices, and the soil and other physical facilities affecting the production of cotton. Except to the extent that the production on any such farm has contributed to the county and State allotments, any allotment established pursuant to this subsection shall be in addition to the acreage allotments otherwise established for the county and State under this Act, and the production from the additional acreage so allotted shall be in addition to the national marketing quota (7 U. S. C. 1344 (h)).

(i) Notwithstanding any other provision of this Act, any acreage planted to cotton in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments (7 U. S. C. 1344 (i)).

(j) Notwithstanding any other provision of this Act, State and county committees shall make available for inspection by owners or operators of farms receiving cotton acreage allotments all records pertaining to cotton acreage allotments and marketing quotas (7 U. S. C. 1344 (j)).

(k) Notwithstanding any other provision of this section except subsection (g) (1), there shall be allotted to each State for which an allotment is made under this section not less than the smaller of (A) 4,000

acres or (B) the highest acreage planted to cotton in any one of the 3 calendar years immediately preceding the year for which the allotment is made (7 U. S. C. 1344 (k)).

(l) Notwithstanding any other provision of law, the Secretary in administering the provisions of Public Law 12, Seventy-ninth Congress, as it relates to war crops, shall carry out the provisions of such Act in the following manner:

(i) A survey shall be conducted of every farm which had a 1942 cotton acreage allotment, and of such other farms as the Secretary considers necessary in the administration of Public Law 12. This survey shall obtain for each farm the most accurate information possible on (a) the total acreage in cultivation, and (b) the acreage of individual crops planted on each farm in the years 1941, 1945, 1946, and 1947.

(ii) An eligible farm for war-crop credit shall be a farm on which (a) the cotton acreage on the farm in 1945, 1946, or 1947, was reduced below the cotton acreage planted on the farm in 1941; (b) the war-crop acreage on the farm in 1945, 1946, or 1947, was increased above the war-crop acreage on the farm in 1941; and (c) the farm had a cotton acreage allotment in 1942.

(iii) A farm shall be regarded as having planted cotton (in addition to the actual acreage planted to cotton) to the extent of the lesser of (a) the reduction in cotton acreage for each of the years 1945, 1946, and 1947, below the acreage planted to cotton in 1941, or (b) the increase in war crops for each of the years 1945, 1946, and 1947, above that planted to such war crops in 1941. However, the county committee may be given the discretion to adjust such war-crop credit when the county committee determines that the reduction in cotton acreage was not related to an increase in war crops, but the adjustment shall be made only after consultation with the producer.

(iv) The Secretary, using the best information obtainable, and working with and through the State and county committees, shall use whatever means necessary to make an accurate determination of the credits due each individual farm, under Public Law 12.

(v) The total of the war-crop credits due the individual farms in each county shall be credited to the county and the total of the war-crop credits due all of the counties in a State shall be credited to the State.

(vi) The acreage credited to States, counties, and farms for the years 1945, 1946, or 1947, because of war crops, shall be taken into full account in the determination and distribution of cotton acreage allotments on a national, State, county, and farm basis (7 U. S. C. 1344 (1)).

FARM MARKETING QUOTAS

SEC. 345. The farm marketing quota for any crop of cotton shall be the actual production of the acreage planted to cotton on the farm less the farm marketing excess. The farm marketing excess shall be the normal production of that acreage planted to cotton on the farm which is in excess of the farm acreage allotment: *Provided*, That such farm marketing excess shall not be larger than the amount by which the actual production of cotton on the farm exceeds the normal production of the farm acreage allotment, if the producer establishes

such actual production to the satisfaction of the Secretary (7 U. S. C. 1345).

PENALTIES

SEC. 346. (a) Whenever farm marketing quotas are in effect with respect to any crop of cotton, the producer shall be subject to a penalty on the farm marketing excess at a rate per pound equal to 50 per centum of the parity price per pound for cotton as of June 15 of the calendar year in which such crop is produced (7 U. S. C. 1346 (a)).

(b) The farm marketing excess of cotton shall be regarded as available for marketing and the amount of penalty shall be computed upon the normal production of the acreage on the farm planted to cotton in excess of the farm acreage allotment. If a downward adjustment in the amount of the farm marketing excess is made pursuant to the proviso in section 345, the difference between the amount of the penalty computed upon the farm marketing excess before such adjustment and as computed upon the adjusted farm marketing excess shall be returned to or allowed the producer (7 U. S. C. 1346 (b)).

(c) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty (7 U. S. C. 1346 (c)).

(d) Until the penalty on the farm marketing excess is paid, all cotton produced on the farm and marketed by the producer shall be subject to the penalty provided by this section and a lien on the entire crop of cotton produced on the farm shall be in effect in favor of the United States (7 U. S. C. 1346 (d)).

LONG STAPLE COTTON

SEC. 347. (a) Except as otherwise provided by this section, the provisions of this part shall not apply to extra long staple cotton which is produced from pure strain varieties of the Barbados species, or any hybrid thereof, or other similar types of extra long staple cotton designated by the Secretary having characteristics needed for various end uses for which American upland cotton is not suitable, and grown in irrigated cotton-growing regions of the United States designated by the Secretary or other areas designated by the Secretary as suitable for the production of such varieties or types (7 U. S. C. 1347 (a), Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 759).

(b) Whenever during any calendar year, not later than October 15, the Secretary determines that the total supply of cotton described in subsection (a) for the marketing year beginning in such calendar year will exceed the normal supply thereof for such marketing year by more than 8 per centum, the Secretary shall proclaim such fact and a national marketing quota shall be in effect for the crop of such cotton produced in the next calendar year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the quantity of cotton described in subsection (a) adequate to make available a normal supply of such cotton, taking into account (1) the estimated carry-over at the beginning of the marketing year which begins in the next calendar year, and (2) the estimated imports during such marketing year. The national mar-

keting quota for cotton described in subsection (a) for any year shall not be less than the larger of 30,000 bales or a number of bales equal to 30 per centum of the estimated domestic consumption plus exports of such cotton for the marketing year beginning in the calendar year in which such quota is proclaimed (7 U. S. C. 1347 (b), Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 759).

(c) All provisions of this Act, except section 342, subsections (h), (k), and (l) of section 344, the parenthetical provisions relating to acreages regarded as having been planted to cotton, and the provisions relating to minimum small farm allotments, shall, insofar as applicable, apply to marketing quotas and acreage allotments authorized by this section: *Provided*, That the applicable penalty rate for such cotton under section 346 shall be the higher of 50 per centum of the parity price or 50 per centum of the support price for extra long staple cotton as of the date specified therein (Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 760).

(d) Unless marketing quotas are in effect under subsection (b) of this section, the penalty provisions of section 346 shall not apply to any cotton the staple of which is $1\frac{1}{2}$ inches or more in length (Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 760).

(e) The exemptions authorized by subsections (a) and (d) of this section shall not apply unless (1) the cotton is ginned on a roller-type gin or (2) the Secretary authorizes the cotton to be ginned on another type gin for experimental purposes or to prevent loss of the cotton due to frost or other adverse condition (Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 760).

INELIGIBILITY FOR PAYMENTS

SEC. 348. (a) Any person who knowingly plants cotton on his farm in any year in excess of the farm acreage allotment for cotton for the farm for such year under section 344 shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended (7 U. S. C. 1348 (a)).

(b) All persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, with respect to any farm located in a county in which cotton has been planted during the year for which such payment is offered, shall file with the application a statement that the applicant has not knowingly planted, during the current year, cotton on land on his farm in excess of the acreage allotted to the farm under section 344 for such year (7 U. S. C. 1348 (b)).

PART V—MARKETING QUOTAS—RICE

LEGISLATIVE FINDING

SEC. 351. (a) The marketing of rice constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate and foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Rice produced for market is sold on a Nation-wide market, and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable

natural causes, in many cases such farmers carry on their farming operations on borrowed money or leased lands, and are not so situated as to be able to organize effectively, as can labor and industry, through unions and corporations enjoying Government sanction and protection for joint economic action. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market (7 U. S. C. 1351 (a)).

(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the prices for such commodity with consequent injury and destruction of such commerce in such commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products (7 U. S. C. 1351 (b)).

(c) Whenever an abnormally excessive supply of rice exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this Part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce (7 U. S. C. 1351 (c)).

NATIONAL ACREAGE ALLOTMENT

SEC. 352. The national acreage allotment of rice for any calendar year shall be that acreage which the Secretary determines will, on the basis of the national average yield of rice for the five calendar years immediately preceding the calendar year for which such national average yield is determined, produce an amount of rice adequate, together with the estimated carry-over from the marketing year ending in such calendar year, to make available a supply for the marketing year commencing in such calendar year not less than the normal supply. Such national acreage allotment shall be proclaimed not later than December 31 of each year (7 U. S. C. 1352).

APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 353. (a) The national acreage allotment of rice for each calendar year, less a reserve of not to exceed 1 per centum thereof for apportionment by the Secretary as provided in this subsection, shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average number of acres of rice in each State during the 5-year period immediately preceding the calendar year for which such national acreage allotment of rice is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for trends in acreage during the applicable period. The Secretary shall provide for the apportionment of the reserve acreage set aside pursuant to this subsection to farms receiving allotments which are inadequate because of an insufficient State or county acreage

allotment or because rice was not planted on the farm during all of the preceding five years. Notwithstanding the foregoing provisions of this subsection, the reserve acreage set aside for the 1950 crop pursuant to this subsection shall not exceed $\frac{1}{2}$ of 1 per centum and shall be in addition to the 1950 national acreage allotment as heretofore proclaimed by the Secretary and apportioned by him among the several rice-producing States and shall be available for apportionment to new farms without regard to the limitation contained in subsection (b) of this section (7 U. S. C. 1353 (a)).

(b) The State acreage allotment shall be apportioned to farms owned or operated by persons who have produced rice in any one of the five calendar years immediately preceding the year for which such apportionment is made on the basis of past production of rice by the producer on the farm taking into consideration the acreage allotments previously established for such owners or operators; abnormal conditions affecting acreage; land, labor, and equipment available for the production of rice; crop rotation practices; and the soil and other physical factors affecting the production of rice: *Provided*, That if the State committee recommends such action and the Secretary determines that such action will facilitate the effective administration of the Act, he may provide for the apportionment of the State acreage allotment to farms on which rice has been produced during any one of such period of years on the basis of the foregoing factors, using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for such owners or operators. Not more than 3 per centum of the State acreage allotment shall be apportioned among farms operated by persons who will produce rice during the calendar year for which the allotment is made but who have not produced rice in any one of the past 5 years, on the basis of the applicable apportionment factors set forth herein: *Provided*, That in any State in which allotments are established for farms on the basis of past production of rice on the farm such percentage of the State acreage allotment shall be apportioned among the farms on which rice is to be planted during the calendar year for which the apportionment is made but on which rice was not planted during any of the past 5 years, on the basis of the applicable apportionment factors set forth herein (7 U. S. C. 1353 (b)).

(c) Notwithstanding any other provisions of this Act—

(1) If farm acreage allotments are established by using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for owners or operators, the State acreage allotment shall be apportioned among counties in the State on the same basis as the national acreage allotment is apportioned among the States and the county acreage allotments shall be apportioned to farms on the basis of the applicable factors set forth in subsection (b) of this section: *Provided*, That the State committee may reserve not to exceed 5 per centum of the State allotment, which shall be used to make adjustments in county allotments for trends in acreage and for abnormal conditions affecting plantings;

(2) Any acreage planted to rice in excess of the farm acreage allotment shall not be taken into account in establishing State, county, and farm acreage allotments (7 U. S. C. 1353 (c)).

(d) The provisions of this part shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed three acres or to rice produced outside the continental United States (7 U. S. C. 1353 (d)).

MARKETING QUOTAS

SEC. 354. (a) Whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 10 per centum, the Secretary shall not later than December 31 of such calendar year proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in the next calendar year (7 U. S. C. 1354 (a)).

(b) Within 30 days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum by secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum and such quotas shall become ineffective (7 U. S. C. 1354 (b)).

AMOUNT OF FARM MARKETING QUOTA

SEC. 355. The farm marketing quota for any crop of rice shall be the actual production of rice on the farm less the normal production of the acreage planted to rice on the farm in excess of the farm acreage allotment. The normal production from such excess acreage shall be known as the "farm marketing excess": *Provided*, That the farm marketing excess shall not be larger than the amount by which the actual production of rice on the farm exceeds the normal production of the farm acreage allotment if the producer establishes such actual production to the satisfaction of the Secretary (7 U. S. C. 1355).

PENALTIES AND STORAGE

SEC. 356. (a) Whenever farm marketing quotas are in effect with respect to any crop of rice, the producer shall be subject to a penalty on the farm marketing excess at a rate per pound equal to 50 per centum of the parity price per pound for rice as of June 15 of the calendar year in which such crop is produced (7 U. S. C. 1356 (a)).

(b) The farm marketing excess of rice shall be regarded as available for marketing and the amount of penalty shall be computed upon the normal production of the acreage on the farm planted to rice in excess of the farm acreage allotment. If a downward adjustment in the amount of the farm marketing excess is made pursuant to the proviso in section 355, the difference between the amount of the penalty computed upon the farm marketing excess before such adjust-

ment and as computed upon the adjusted marketing excess shall be returned to or allowed the producer (7 U. S. C. 1356 (b)).

(c) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty (7 U. S. C. 1356 (c)).

(d) Until the penalty on the farm marketing excess is paid, postponed, or avoided, as provided herein, all rice produced on the farm and marketed by the producer shall be subject to the penalty provided by this section and a lien on the entire crop of rice produced on the farm shall be in effect in favor of the United States (7 U. S. C. 1356 (d)).

(e) The penalty on the farm marketing excess on any crop of rice may be avoided or postponed by storage or by disposing of the commodity in such other manner, not inconsistent with the purposes of this Act, as the Secretary shall prescribe, including, in the discretion of the Secretary, delivery to Commodity Credit Corporation or any other agency within the Department. The Secretary shall issue regulations governing such storage or other disposition. Unless otherwise specified by the Secretary in such regulations, any quantity of rice so stored or otherwise disposed of shall be of those types and grades which are representative of the entire quantity of rice produced on the farm. Upon failure so to store or otherwise dispose of the farm marketing excess of rice within such time as may be determined under regulations prescribed by the Secretary, the penalty on such excess shall become due and payable. Any rice delivered to any agency of the Department pursuant to this subsection shall become the property of the agency to which delivered and shall be disposed of at the direction of the Secretary in a manner not inconsistent with the purposes of this Act (7 U. S. C. 1356 (e)).

(f) Subject to the provisions of subsection (g) of this section, the penalty upon the farm marketing excess stored pursuant to this section shall be paid by the producer at the time and to the extent of any depletion in the amount so stored except depletion resulting from some cause beyond the control of the producer or from substitution of the commodity authorized by the Secretary (7 U. S. C. 1356 (f)).

(g) (1) If the planted acreage of the then current crop of rice for any farm is less than the farm acreage allotment, the amount of the commodity from any previous crop of rice stored to postpone or avoid payment of the penalty shall be reduced by an amount equal to the normal production of the number of acres by which the farm acreage allotment exceeds the acreage planted to rice.

(2) If the actual production of the acreage of rice on any farm on which the acreage of rice is within the farm acreage allotment is less than the normal production of the farm acreage allotment, the amount of rice from any previous crop stored to postpone or avoid payment of the penalty shall be reduced by an amount which, together with the actual production of the then current crop will equal the normal production of the farm acreage allotment: *Provided*, That the reduction under this paragraph shall not exceed the amount by which the normal production of the farm acreage allotment less any reduction made under paragraph (1) of this subsection is in excess of the actual production of the acreage planted to rice on the farm (7 U. S. C. 1356 (g)).

PART VI—MARKETING QUOTAS—PEANUTS

LEGISLATIVE FINDINGS

SEC. 357. The production, marketing, and processing of peanuts and peanut products employs a large number of persons and is of national interest. The movement of peanuts from producer to consumer is preponderantly in interstate and foreign commerce, and, owing to causes beyond their control, the farmers producing such commodity and the persons engaged in the marketing and processing thereof are unable to regulate effectively the orderly marketing of the commodity. As the quantity of peanuts marketed in the channels of interstate and foreign commerce increases above the quantity of peanuts needed for cleaning and shelling, the prices at which all peanuts are marketed are depressed to low levels. These low prices tend to cause the quantity of peanuts available for marketing in later years to be less than normal, which in turn tends to cause relatively high prices. This fluctuation of prices and marketings of peanuts creates an unstable and chaotic condition in the marketing of peanuts for cleaning and shelling and for crushing for oil in the channels of interstate and foreign commerce. Since these unstable and chaotic conditions have existed for a period of years and are likely, without proper regulation, to continue to exist, it is imperative that the marketing of peanuts for cleaning and shelling and for crushing for oil in interstate and foreign commerce be regulated in order to protect producers, handlers, processors, and consumers (7 U. S. C. 1357).

MARKETING QUOTAS

SEC. 358. (a) Between July 1 and December 1 of each calendar year the Secretary shall proclaim the amount of the national marketing quota for peanuts for the crop produced in the next succeeding calendar year in terms of the total quantity of peanuts which will make available for marketing a supply of peanuts from the crop with respect to which the quota is proclaimed equal to the average quantity of peanuts harvested for nuts during the 5 years immediately preceding the year in which such quota is proclaimed, adjusted for current trends and prospective demand conditions, and the quota so proclaimed shall be in effect with respect to such crop. The national marketing quota for peanuts for any year shall be converted to a national acreage allotment by dividing such quota by the normal yield per acre of peanuts for the United States determined by the Secretary on the basis of the average yield per acre of peanuts in the 5 years preceding the year in which the quota is proclaimed, with such adjustments as may be found necessary to correct for trends in yields and for abnormal conditions of production affecting yields in such 5 years: *Provided*, That the national marketing quota established for the crop produced in the calendar year 1941 shall be a quantity of peanuts sufficient to provide a national acreage allotment of not less than 1,610,000 acres, and that the national marketing quota established for any subsequent year shall be a quantity of peanuts sufficient to provide a national acreage allotment of not less than that established for the crop produced in the calendar year 1941 (7 U. S. C. 1358 (a)).

(b) Not later than December 15 of each calendar year the Secretary shall conduct a referendum of farmers engaged in the production of

peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to marketing quotas with respect to the crops of peanuts produced in the three calendar years immediately following the year in which the referendum is held, except that, if as many as two-thirds of the farmers voting in any referendum vote in favor of marketing quotas, no referendum shall be held with respect to quotas for the second and third years of the period. The Secretary shall proclaim the results of the referendum within 30 days after the date on which it is held, and, if more than one-third of the farmers voting in the referendum vote against marketing quotas, the Secretary also shall proclaim that marketing quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held (7 U. S. C. 1358 (b)).

(c) (1) The national acreage allotment for 1951, less the acreage to be allotted to new farms under subsection (f) of this section, shall be apportioned among the States on the basis of the larger of the following for each State: (a) The acreage allotted to the State as its share of the 1950 national acreage allotment of 2,100,000 acres, or (b) the State's share of 2,100,000 acres apportioned to States on the basis of the average acreage harvested for nuts in each State in the 5 years 1945-49: *Provided*, That any allotment so determined for any State which is less than the 1951 State allotment announced by the Secretary prior to the enactment of this Act shall be increased to such announced allotment and the acreage required for such increases shall be in addition to the 1951 national acreage allotment and shall be considered in determining State acreage allotments in future years. For any year subsequent to 1951, the national acreage allotment for that year, less the acreage to be allotted to new farms under subsection (f) of this section, shall be apportioned among the States on the basis of their share of the national acreage allotment for the most recent year in which such apportionment was made.

(2) Notwithstanding any other provision of law, if the Secretary of Agriculture determines, on the basis of the average yield per acre of peanuts by types during the preceding 5 years, adjusted for trends in yields and abnormal conditions of production affecting yields in such 5 years, that the supply of any type or types of peanuts for any marketing year, beginning with the 1951-52 marketing year, will be insufficient to meet the estimated demand for cleaning and shelling purposes at prices at which the Commodity Credit Corporation may sell for such purposes peanuts owned or controlled by it, the State allotments for those States producing such type or types of peanuts shall be increased to the extent determined by the Secretary to be required to meet such demand but the allotment for any State may not be increased under this provision above the 1947 harvested acreage of peanuts for such State. The total increase so determined shall be apportioned among such States for distribution among farms producing peanuts of such type or types on the basis of the average acreage of peanuts of such type or types in the 3 years immediately preceding the year for which the allotments are being determined. The additional acreage so required shall be in addition to the national acreage allotment, the production from such acreage shall be in addition to the national marketing quota, and the increase in acreage

allotted under this provision shall not be considered in establishing future State, county, or farm acreage allotments (7 U. S. C. 1358 (c)).

(d) The Secretary shall provide for apportionment of the State acreage allotment for any State through local committees among farms on which peanuts were grown in any of the 3 years immediately preceding the year for which such allotment is determined. The State acreage allotment for 1952 and any subsequent year shall be apportioned among farms on which peanuts were produced in any one of the 3 calendar years immediately preceding the year for which such apportionment is made, on the basis of the following: Past acreage of peanuts, taking into consideration the acreage allotments previously established for the farm; abnormal conditions affecting acreage; land, labor, and equipment available for the production of peanuts; crop-rotation practices; and soil and other physical factors affecting the production of peanuts. Any acreage of peanuts harvested in excess of the allotted acreage for any farm for any year shall not be considered in the establishment of the allotment for the farm in succeeding years. The amount of the marketing quota for each farm shall be the actual production of the farm acreage allotment, and no peanuts shall be marketed under the quota for any farm other than peanuts actually produced on the farm (7 U. S. C. 1358 (d)).

[PUBLIC LAW 12, Seventy-ninth Congress.—* * * in establishing acreage allotments under subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, or under the Soil Conservation and Domestic Allotment Act, as amended, the Secretary of Agriculture, under regulations prescribed by him, may provide that for any crop year (beginning with the crop year 1945) during the present emergency [terminated July 25, 1947, 61 Stat. 451] any farm, with respect to which a cotton, wheat, or peanut allotment was established for the 1942 crop, shall be regarded as a farm on which cotton, wheat, or peanuts, as the case may be, were planted and grown, if the Secretary determines that, with respect to cotton or wheat, because of the production of war crops designated by him on such farm, or, with respect to cotton, wheat, or peanuts, because the owner or operator was serving in the armed forces of the United States, the cotton, wheat, or peanut production history of the farm for such year is not representative of the normal history of the farm.

The Secretary may also provide with respect to any such farm that the past acreage of peanuts shall be adjusted upward to the extent that the acreage used for growing peanuts on such farm in such year is below the normal history of the farm (February 28, 1945, 59 Stat. 9).]

(e) Notwithstanding the foregoing provisions of this section, the Secretary may, if the State committee recommends such action and the Secretary determines that such action will facilitate the effective administration of the provisions of the Act, provide for the apportionment of the State acreage allotment for 1952 and any subsequent year among the counties in the State on the basis of the past acreage of peanuts harvested for nuts (excluding acreage in excess of farm allotments) in the county during the 5 years immediately preceding the year in which such apportionment is made, with such adjustments as are deemed necessary for abnormal conditions affecting acreage, for trends in acreage, and for additional allotments for types of peanuts in short supply under the provisions of subsection (c). The county

acreage allotment shall be apportioned among farms on the basis of the factors set forth in subsection (d) of this section (7 U. S. C. 1358 (e)).

(f) Not more than 1 per centum of the national acreage allotment shall be apportioned among farms on which peanuts are to be produced during the calendar year for which the allotment is made but on which peanuts were not produced during any one of the past 3 years, on the basis of the following: Past peanut-producing experience by the producers; land, labor, and equipment available for the production of peanuts; crop-rotation practices; and soil and other physical factors affecting the production of peanuts (7 U. S. C. 1358 (f)).

(g) Any part of the acreage allotted to individual farms under the provisions of this section on which peanuts will not be produced and which is voluntarily surrendered to the county committee shall be deducted from the allotments to such farms and may be reapportioned by the county committee to other farms in the same county receiving allotments, in amounts determined by the county committee to be fair and reasonable on the basis of land, labor, and equipment available for the production of peanuts, crop-rotation practices, and soil and other physical factors affecting the production of peanuts. Any transfer of allotments under this provision shall not operate to reduce the allotment for any subsequent year for the farm from which acreage is transferred, except as the farm becomes ineligible for an allotment by failure to produce peanuts during a 3-year period, and any such transfer shall not operate to increase the allotment for any subsequent year for the farm to which the acreage is transferred: *Provided*, That, notwithstanding any other provisions of this Act, any part of any farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein (7 U. S. C. 1358 (g)).

(h) Notwithstanding any other provision of this section, the allotment determined or which would have been determined for any land which is removed from agricultural production in 1950 or any subsequent year for any purpose because of acquisition by any Federal, State, or other agency having a right of eminent domain shall be placed in a pool and shall be available for use in providing equitable allotments for farms owned or acquired by owners displaced because of acquisition of their farms by such agencies. Upon application to the county committee, within 5 years from the date of such acquisition of the farm, any owner so displaced shall be entitled to have an allotment for any other farm owned or acquired by him equal to an allotment which would have been determined for such other farm plus the allotment which would have been determined for the farm so acquired: *Provided*, That such allotment shall not exceed 50 per centum of the acreage of cropland on the farm.

The provisions of this section shall not be applicable if (a) there is any marketing quota penalty due with respect to the marketing of peanuts from the farm acquired by the Federal, State, or other agency or by the owner of the farm; (b) any peanuts produced on such farm have not been accounted for as required by the Secretary; or (c) the allotment next established for the farm acquired by the Federal, State, or other agency would have been reduced because of false or improper

identification of peanuts produced on or marketed from such farm (7 U. S. C. 1358 (h)).

MARKETING PENALTIES

SEC. 359. (a) The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 50 per centum of the basic rate of the loan (calculated to the nearest tenth of a cent) for farm marketing quota peanuts for the marketing year August 1–July 31. Such penalty shall be paid by the person who buys or otherwise acquires the peanuts from the producer, or, if the peanuts are marketed by the producer through an agent, the penalty shall be paid by such agent, and such person or agent may deduct an amount equivalent to the penalty from the price paid to the producer. The Secretary may require collection of the penalty upon a portion of each lot of peanuts marketed from the farm equal to the proportion which the acreage of peanuts in excess of the farm-acreage allotment is of the total acreage of peanuts on the farm. If the person required to collect the penalty fails to collect such penalty, such person and all persons entitled to share in the peanuts marketed from the farm or the proceeds thereof shall be jointly and severally liable for the amount of the penalty. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States and such amounts as are determined, in accordance with regulations prescribed by the Secretary, to be penalties incurred shall be transferred to the general fund of the Treasury of the United States. Amounts collected in excess of determined penalties shall be paid to such producers as the Secretary determines, in accordance with regulations prescribed by him, bore the burden of the payment of the amount collected. Such special account shall be administered by the Secretary and the basis for, the amount of, and the producer entitled to receive a payment from such account, when determined in accordance with regulations prescribed by the Secretary, shall be final and conclusive. Peanuts produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though the peanuts are marketed prior to the date on which such marketing year begins. If any producer falsely identifies or fails to account for the disposition of any peanuts, an amount of peanuts equal to the normal yield of the number of acres harvested in excess of the farm acreage allotment shall be deemed to have been marketed in excess of the marketing quota for the farm, and the penalty in respect thereof shall be paid and remitted by the producer. If any amount of peanuts produced on one farm is falsely identified by a representation that such peanuts were produced on another farm, the acreage allotments next established for both such farms shall be reduced by that percentage which such amount was of the respective farm marketing quotas, except that such reduction for any such farm shall not be made if the Secretary through the local committees finds that no person connected with such farm caused, aided, or acquiesced in such marketing; and if proof of the disposition of any amount of peanuts is not furnished as required by the Secretary, the acreage allotment next established for the farm on which such peanuts are produced shall be

reduced by a percentage similarly computed. Notwithstanding any other provisions of this title, no refund of any penalty shall be made because of peanuts kept on the farm for seed or for home consumption (7 U. S. C. 1359 (a)).

(b) The provisions of this part shall not apply to peanuts produced on any farm on which the acreage harvested for nuts is one acre or less (7 U. S. C. 1359 (b)).

(c) The word "peanuts" for the purposes of this Act shall mean all peanuts produced, excluding any peanuts which it is established by the producer or otherwise, in accordance with regulations of the Secretary, were not picked or threshed either before or after marketing from the farm (7 U. S. C. 1359 (c)).

(d) (Repealed by 62 Stat. 1247.)

(e) (Repealed by 62 Stat. 1247.)

[Subsections (f), (g), (h), and (i) of this section were repealed by Public Law 285, Eighty-second Congress, approved March 28, 1952 (66 Stat. 27), effective beginning with the 1952 crop of peanuts. These subsections read as follows:

[(f) The provisions of this section shall not apply to nor interfere with the inauguration or the operation of any program approved by the Secretary pursuant to authority contained in existing law designed to establish new uses for peanuts and peanut products or expand markets for peanuts and peanut products (7 U. S. C. 1359 (f)).

[(g) If the total acreage of peanuts picked or threshed on the farm does not exceed the total acreage of peanuts picked or threshed on the farm in 1947 or 1948, if no peanuts were harvested on the farm in 1947, payment of the marketing penalty as provided in subsection (a) will not be required on any excess peanuts which are delivered to or marketed through an agency or agencies designated each year by the Secretary. Any peanuts received under this subsection by such agency shall be sold by such agency (i) for crushing for oil under a sales agreement approved by the Secretary; (ii) for cleaning and shelling at prices not less than those established for quota peanuts under any peanut diversion, peanut loan, or peanut purchase program; or (iii) for seed at prices established by the Secretary. For all peanuts so delivered to a designated agency under this subsection, producers shall be paid for the portion of the lot constituting excess peanuts, the prevailing market value thereof for crushing for oil (but not more than the price received by such agency from the sale of such peanuts), less the estimated cost of storing, handling, and selling such peanuts: *Provided*, That if the Secretary determines that the supply of any type of peanuts is insufficient to meet the demand for cleaning and shelling purposes at prices at which the Commodity Credit Corporation may sell peanuts owned or controlled by it for such purposes, the Secretary shall permit the sale, for cleaning and shelling, of the excess peanuts of such type so delivered. Such sales shall be in quantities necessary to meet such demand and at prices not less than those at which the Commodity Credit Corporation may sell peanuts owned or controlled by it for cleaning and shelling. The proceeds received from the sale of such peanuts of such type for cleaning and shelling shall, after deduction of the price paid to producers and other costs incurred in connection therewith, including estimated cost of proration, be prorated proportionately among all

of the producers delivering excess peanuts of such type to designated agencies under this section. As an alternative to designated agencies paying the prevailing oil value for such excess peanuts of any type in insufficient supply and the subsequent distribution of sales proceeds therefrom in accordance with the foregoing provisions of this subsection, the Secretary may also authorize peanut buyers approved pursuant to regulations of the Secretary to purchase such peanuts from producers at prices not less than those at which such peanuts may be sold for cleaning and shelling by the Commodity Credit Corporation. In the event of such authorization by the Secretary, producers shall have the option of either delivering such peanuts to designated agencies or selling such peanuts to approved peanut buyers, and such sales to approved buyers shall have the same effect, with respect to avoidance of the marketing penalty and classification of producers as cooperators, as deliveries to designated agencies. Any person who, pursuant to the provisions of this subsection, acquires peanuts for crushing for oil and who uses or disposes of such peanuts for any purpose other than that for which acquired shall pay a penalty to the United States, at a rate equal to the marketing penalty prescribed in subsection (a), upon the peanuts so used or disposed of and shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both, for each and every offense. Operations under this subsection shall be carried on under regulations prescribed by the Secretary (7 U. S. C. 1359 (g)).

[(h) For the purposes of price support with respect to the 1950 and subsequent crops of peanuts, a "cooperator" shall be (1) a producer on whose farm the acreage of peanuts picked or threshed does not exceed the farm acreage allotment or (2) a producer on whose farm the acreage of peanuts picked or threshed exceeds the farm acreage allotment provided any peanuts picked or threshed in excess of the farm marketing quota are delivered to or marketed through an agency or agencies designated by the Secretary without penalty in accordance with the provisions of subsection (g) and regulations prescribed by the Secretary (7 U. S. C. 1359 (h)).

[(i) The provisions of subsections (g) and (h) of this section shall not apply with respect to any crop when marketing quotas are in effect on the corresponding crop for soybeans (7 U. S. C. 1359 (i)).]

SUBTITLE C—ADMINISTRATIVE PROVISIONS

PART I—PUBLICATION AND REVIEW OF QUOTAS

APPLICATION OF PART

SEC. 361. This Part shall apply to the publication and review of farm marketing quotas established for tobacco, corn, wheat, cotton, peanuts, and rice, established under subtitle B (7 U. S. C. 1361).

PUBLICATION AND NOTICE OF QUOTA

SEC. 362. All acreage allotments, and the farm marketing quotas established for farms in a county or other local administrative area shall, in accordance with regulations of the Secretary, be made and kept freely available for public inspection in such county or other local administrative area. An additional copy of this information shall be

kept available in the office of the county agricultural extension agent or with the chairman of the local committee. Notice of the farm marketing quota of his farm shall be mailed to the farmer. Notice of the farm acreage allotment established for each farm shown by the records of the county committee to be entitled to such allotment shall insofar as practicable be mailed to the farm operator in sufficient time to be received prior to the date of the referendum (7 U. S. C. 1362).

REVIEW BY REVIEW COMMITTEE

SEC. 363. Any farmer who is dissatisfied with his farm marketing quota may, within 15 days after mailing to him of notice as provided in section 362, have such quota reviewed by a local review committee composed of three farmers from the same or nearby counties appointed by the Secretary. Such committee shall not include any member of the local committee which determined the farm acreage allotment, the normal yield, or the farm marketing quota for such farm. Unless application for review is made within such period, the original determination of the farm marketing quota shall be final (7 U. S. C. 1363).

REVIEW COMMITTEE

SEC. 364. The members of the review committee shall receive as compensation for their services the same per diem as that received by the members of the committee utilized for the purposes of the Soil Conservation and Domestic Allotment Act, as amended. The members of the review committee shall not be entitled to receive compensation for more than 30 days in any 1 year (7 U. S. C. 1364).

INSTITUTION OF PROCEEDINGS

SEC. 365. If the farmer is dissatisfied with the determination of the review committee, he may, within 15 days after a notice of such determination is mailed to him by registered mail, file a bill in equity against the review committee as defendant in the United States district court, or institute proceedings for review in any court of record of the State having general jurisdiction, sitting in the county or the district in which his farm is located, for the purpose of obtaining a review of such determination. Bond shall be given in an amount and with surety satisfactory to the court to secure the United States for the costs of the proceeding. The bill of complaint in such proceeding may be served by delivering a copy thereof to any one of the members of the review committee. Thereupon the review committee shall certify and file in the court a transcript of the record upon which the determination complained of was made, together with its findings of fact (7 U. S. C. 1365).

COURT REVIEW

SEC. 366. The review by the court shall be limited to questions of law, and the findings of fact by the review committee, if supported by evidence, shall be conclusive. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the review committee, the court may direct such additional evidence to be taken before the review committee in such

manner and upon such terms and conditions as to the court may seem proper. The review committee may modify its findings of fact or its determination by reason of the additional evidence so taken, and it shall file with the court such modified findings or determination, which findings of fact shall be conclusive. At the earliest convenient time, the court, in term time or vacation, shall hear and determine the case upon the original record of the hearing before the review committee, and upon such record as supplemented, if supplemented, by further hearing before the review committee pursuant to direction of the court. The court shall affirm the review committee's determination, or modified determination, if the court determines that the same is in accordance with law. If the court determines that such determination or modified determination is not in accordance with law, the court shall remand the proceeding to the review committee with direction either to make such determination as the court shall determine to be in accordance with law or to take such further proceedings as, in the court's opinion, the law requires (7 U. S. C. 1366).

STAY OF PROCEEDINGS AND EXCLUSIVE JURISDICTION

SEC. 367. The commencement of judicial proceedings under this Part shall not, unless specifically ordered by the court, operate as a stay of the review committee's determination. Notwithstanding any other provision of law, the jurisdiction conferred by this Part to review the legal validity of a determination made by a review committee pursuant to this Part shall be exclusive. No court of the United States or of any State shall have jurisdiction to pass upon the legal validity of any such determination except in a proceeding under this part (7 U. S. C. 1367).

NO EFFECT ON OTHER QUOTAS

SEC. 368. Notwithstanding any increase of any farm marketing quota for any farm as a result of review of the determination thereof under this Part, the marketing quotas for other farms shall not be affected (7 U. S. C. 1368).

PART II—ADJUSTMENT OF QUOTAS AND ENFORCEMENT

GENERAL ADJUSTMENTS OF QUOTAS

SEC. 371. (a) If at any time the Secretary has reason to believe that in the case of corn, wheat, cotton, rice, peanuts, or tobacco the operation of farm marketing quotas in effect will cause the amount of such commodity which is free of marketing restrictions to be less than the normal supply for the marketing year for the commodity then current, he shall cause an immediate investigation to be made with respect thereto. In the course of such investigation due notice and opportunity for hearing shall be given to interested persons. If upon the basis of such investigation the Secretary finds the existence of such fact, he shall proclaim the same forthwith. He shall also in such proclamation specify such increase in, or termination of, existing quotas as he finds, on the basis of such investigation, is necessary to make the amount of such commodity which is free of marketing restrictions equal the normal supply (7 U. S. C. 1371 (a)).

(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national marketing quota for corn, wheat, cotton, rice, peanuts, or tobacco should be increased or terminated, he shall cause an immediate investigation to be made to determine whether the increase or termination is necessary in order to effectuate the declared policy of this Act or to meet such emergency or increase in export demand. If, on the basis of such investigation, the Secretary finds that such increase or termination is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quota shall be increased, or shall terminate, as the case may be (7 U. S. C. 1371 (b)).

(c) In case any national marketing quota for any commodity is increased under this section, each farm marketing quota for the commodity shall be increased in the same ratio (7 U. S. C. 1371 (c)).

(d) In the case of corn, whenever such proclamation specifies an increase in marketing quotas, the storage amounts applicable to corn shall be adjusted downward to the amount which would have been required to be stored if such increased marketing quotas had been in effect. Whenever in the case of corn, such proclamation provides for termination of marketing quotas, storage under seal shall no longer be required (7 U. S. C. 1371 (d)).

PAYMENT AND COLLECTION OF PENALTIES

SEC. 372. (a) The penalty with respect to the marketing, by sale, of wheat, cotton, or rice, if the sale is to any person within the United States, shall be collected by the buyer (7 U. S. C. 1372 (a)).

(b) All penalties provided for in Subtitle B shall be collected and paid in such manner, at such times, and under such conditions as the Secretary may by regulations prescribe. Such penalties shall be remitted to the Secretary by the person liable for the penalty, except that if any other person is liable for the collection of the penalty, such other person shall remit the penalty. The amount of such penalties shall be covered into the general fund of the Treasury of the United States (7 U. S. C. 1372 (b)).

(c) Whenever, pursuant to a claim filed with the Secretary within 2 years after payment to him of any penalty collected from any person pursuant to this Act, the Secretary finds that such penalty was erroneously, illegally, or wrongfully collected and the claimant bore the burden of the payment of such penalty, the Secretary shall certify to the Secretary of the Treasury for payment to the claimant, in accordance with regulations prescribed by the Secretary of the Treasury, such amount as the Secretary finds the claimant is entitled to receive as a refund of such penalty.

Notwithstanding any other provision of law, the Secretary is authorized to prescribe by regulations for the identification of farms and it shall be sufficient to schedule receipts into special deposit accounts or to schedule such receipts for transfer therefrom, or directly, into the separate fund provided for in subsection (b) hereof by means of such identification without reference to the names of the producers on such farms.

The Secretary is authorized to prescribe regulations governing the filing of such claims and the determination of such refunds (7 U. S. C. 1372 (c)).

(d) No penalty shall be collected under this Act with respect to the marketing of any agricultural commodity grown for experimental purposes only by any publicly owned agricultural experiment station (7 U. S. C. 1372 (d)).

REPORTS AND RECORDS

SEC. 373. (a) This subsection shall apply to warehousemen, processors, and common carriers of corn, wheat, cotton, rice, peanuts, or tobacco, and all ginnerers of cotton, all persons engaged in the business of purchasing corn, wheat, cotton, rice, peanuts, or tobacco from producers, all persons engaged in the business of redrying, prizing, or stemming tobacco for producers, all brokers and dealers in peanuts, all agents marketing peanuts for producers, or acquiring peanuts for buyers and dealers, and all peanut growers' cooperative associations, all persons engaged in the business of cleaning, shelling, crushing, and salting of peanuts and the manufacture of peanut products, and all persons owning or operating peanut-picking or peanut-threshing machines. Any such person shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this title. Such information shall be reported and such records shall be kept in accordance with forms which the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of such person. Any such person failing to make any report or keep any record as required by this subsection or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500; and any tobacco warehouseman or dealer who fails to remedy such violation by making a complete and accurate report or keeping a complete and accurate record as required by this subsection within fifteen days after notice to him of such violation shall be subject to an additional fine of \$100 for each ten thousand pounds of tobacco, or fraction thereof, bought or sold by him after the date of such violation: *Provided*, That such fine shall not exceed \$5,000; and notice of such violation shall be served upon the tobacco warehouseman or dealer by mailing the same to him by registered mail or by posting the same at any established place of business operated by him, or both (7 U. S. C. 1373 (a)).

(b) Farmers engaged in the production of corn, wheat, cotton, rice, peanuts, or tobacco for market shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports, storage under seal, or otherwise as the Secretary may prescribe as necessary for the administration of this title (7 U. S. C. 1373 (b)).

(c) All data reported to or acquired by the Secretary pursuant to this section shall be kept confidential by all officers and employees of the Department, and only such data so reported or acquired as the

Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing under this title (7 U. S. C. 1373 (c)).

MEASUREMENT OF FARMS AND REPORT OF PLANTINGS

SEC. 374. (a) The Secretary shall provide, through the county and local committees, for measuring farms on which corn, wheat, cotton, peanuts, or rice is produced and for ascertaining whether the acreage planted for any year to any such commodity is in excess of the farm acreage allotment for such commodity for the farm under this title. If in the case of any farm the acreage planted to any such commodity on the farm is in excess of the farm acreage allotment for such commodity for the farm, the committee shall file with the State committee a written report stating the total acreage on the farm in cultivation and the acreage planted to such commodity (7 U. S. C. 1374 (a)).

(b) With respect to cotton, the Secretary, upon such terms and conditions as he may by regulation prescribe, shall provide, through the county and local committees for the measurement prior to planting of an acreage on the farm equal to the farm acreage allotment if so requested by the farm operator, and any farm on which the acreage planted to cotton does not exceed such measured acreage shall be deemed to be in compliance with the farm acreage allotment. The Secretary shall similarly provide for the remeasurement upon request by the farm operator of the acreage planted to cotton on the farm, but the operator shall be required to reimburse the local committee for the expense of such remeasurement if the planted acreage is found to be in excess of the allotted acreage. If the acreage determined to be planted to cotton on the farm is in excess of the farm acreage allotment, the Secretary shall by appropriate regulation provide for a reasonable time within which such planted acreage may be adjusted to the farm acreage allotment (7 U. S. C. 1374 (b)).

REGULATIONS

SEC. 375. (a) The Secretary shall provide by regulations for the identification, wherever necessary, of corn, wheat, cotton, rice, peanuts, or tobacco so as to afford aid in discovering and identifying such amounts of the commodities as are subject to and such amounts thereof as are not subject to marketing restrictions in effect under this title (7 U. S. C. 1375 (a)).

(b) The Secretary shall prescribe such regulations as are necessary for the enforcement of this title (7 U. S. C. 1375 (b)).

COURT JURISDICTION

SEC. 376. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this title. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute proceedings to collect the penalties provided in this title. The remedies and penalties provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law (7 U. S. C. 1376).

SUBTITLE D—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

PART I—MISCELLANEOUS

COTTON PRICE ADJUSTMENT PAYMENTS

SEC. 381. (a) (Applicable only to 1937 crop of cotton.)

(b) (Applicable only to 1937 crop of cotton.)

(c) (Repealed by 62 Stat. 1255.)

SEC. 382. (Applicable only to 1937 crop of cotton.)

INSURANCE OF COTTON AND RECONCENTRATION OF COTTON

SEC. 383. (a) The Commodity Credit Corporation shall place all insurance of every nature taken out by it on cotton, and all renewals, extensions, or continuations of existing insurance, with insurance agents who are bona fide residents of and doing business in the State where the cotton is warehoused: *Provided*, That such insurance may be secured at a cost not greater than similar insurance offered on said cotton elsewhere (7 U. S. C. 1383 (a)).

(b) Cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not hereafter be reconcentrated without the written consent of the producer or borrower (7 U. S. C. 1383 (b)).

[PUBLIC LAW 660, Seventy-fifth Congress.—In the administration of section 383 (b) of the Agricultural Adjustment Act of 1938 the written consent of the producer or borrower to the reconcentration of any cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not be deemed to have been given unless such consent shall have been given in an instrument made solely for that purpose. Notwithstanding any provision of any loan agreement heretofore made, no cotton held under any such agreement as security for any such loan shall be moved from one warehouse to another unless the written consent of the producer or borrower shall have been obtained in a separate instrument given solely for that purpose, as required by this Act. The giving of written consent for the reconcentration of cotton shall not be made a condition upon the making of any loan hereafter made or arranged for by the Commodity Credit Corporation: *Provided, however*, That in cases where there is congestion and lack of storage facilities, and the local warehouse certifies such fact and requests the Commodity Credit Corporation to move the cotton for reconcentration to some other point, or when the Commodity Credit Corporation determines such loan cotton is improperly warehoused and subject to damage, or if uninsured, or if any of the terms of the loan agreement are violated, or if carrying charges are substantially in excess of the average of carrying charges available elsewhere, and the local warehouse, after notice, declines to reduce such charges, such written consent as provided in this amendment need not be obtained; and consent to movement under any of the conditions of this proviso may be required in future loan agreements (7 U. S. C. 1383a).]

REPORT OF BENEFITS

SEC. 384. (Repealed by 60 Stat. 866.)

FINALITY OF FARMERS' PAYMENTS AND LOANS

SEC. 385. The facts constituting the basis for any Soil Conservation Act payment, parity payment, loan, or price support operation, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary or by the Commodity Credit Corporation, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any person who is entitled to any such payment dies, becomes incompetent, or disappears before receiving such payment, or is succeeded by another who renders or completes the required performance, the payment shall, without regard to any other provisions of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all the circumstances and provide by regulations (7 U. S. C. 1385).

SEC. 386. The provisions of section 3741 of the Revised Statutes (U. S. C., 1934 edition, title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States (U. S. C., 1934 edition, title 18, secs. 204 and 205) [now 18 U. S. C. 431 and 432] shall not be applicable to loans or payments made under this Act (except under section 383 (a)) (7 U. S. C. 1386).

PHOTOGRAPHIC REPRODUCTIONS AND MAPS

SEC. 387. The Secretary may furnish reproductions of such aerial or other photographs, mosaics, and maps as have been obtained in connection with the authorized work of the Department to farmers and governmental agencies at the estimated cost of furnishing such reproductions, and to persons other than farmers at such prices (not less than estimated cost of furnishing such reproductions) as the Secretary may determine, the money received from such sales to be deposited in the Treasury to the credit of the appropriation charged with the cost of making such reproductions. This section shall not affect the power of the Secretary to make other disposition of such or similar materials under any other provisions of existing law (7 U. S. C. 1387).

UTILIZATION OF LOCAL AGENCIES

SEC. 388. (a) The provisions of section 8 (b) and section 11 of the Soil Conservation and Domestic Allotment Act, as amended, relating to the utilization of State, county, local committees, the extension service, and other approved agencies, and to recognition and encouragement of cooperative associations, shall apply in the administration of this Act; and the Secretary shall, for such purposes, utilize the same local, county, and State committees as are utilized under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended. The local administrative areas designated under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, for the administration of programs under that Act, and the local administrative areas designated for the administration of this Act shall be the same (7 U. S. C. 1388 (a)).

(b) The Secretary is authorized and directed, from any funds made available for the purposes of the Acts in connection with which county committees are utilized, to make payments to county committees of farmers to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the provisions of such Acts. All or part of such estimated administrative expenses of any such committee may be deducted pro rata from the Soil Conservation Act payments, parity payments, or loans, or other payments under such Acts, made unless payment of such expenses is otherwise provided by law. The Secretary may make such payments to such committees in advance of determination of performance by farmers (7 U. S. C. 1388 (b)).

PERSONNEL

SEC. 389. The Secretary is authorized and directed to provide for the execution by the Agricultural Adjustment Administration of such of the powers conferred upon him by this Act as he deems may be appropriately exercised by such administration; and for such purposes the provisions of law applicable to appointment and compensation of persons employed by the Agricultural Adjustment Administration shall apply (7 U. S. C. 1389).³

SEPARABILITY

SEC. 390. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons or circumstances, and the provisions of the Soil Conservation and Domestic Allotment Act, as amended, shall not be affected thereby. Without limiting the generality of the foregoing, if any provision of this Act should be held not to be within the power of the Congress to regulate interstate and foreign commerce, such provision shall not be held invalid if it is within the power of the Congress to provide for the general welfare or any other power of the Congress. If any provision of this Act for marketing quotas with respect to any commodity should be held invalid, no provision of this Act for marketing quotas with respect to any other commodity shall be affected thereby. If the application of any provision for a referendum should be held invalid, the application of other provisions shall not be affected thereby. If by reason of any provision for a referendum the application of any such other provision to any person or circumstance is held invalid, the application of such other provision to other persons or circumstances shall not be affected thereby. (7 U. S. C. 1390).

PART II—APPROPRIATIONS AND ADMINISTRATIVE EXPENSES

APPROPRIATIONS

SEC. 391. (a) Beginning with the fiscal year ending June 30, 1938, there is hereby authorized to be appropriated, for each fiscal year for the administration of this Act and for the making of soil conservation and other payments such sums as Congress may determine, in addition

³ The Agricultural Adjustment Administration was consolidated into the Production and Marketing Administration by 1946 Reorganization Plan No. 3, effective July 4, 1946, 11 F. R. 7876, 60 Stat. 1100.

to any amount made available pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended (7 U. S. C. 1391 (a)).

(b) (Applicable only to fiscal year 1938.)

(c) During each fiscal year, beginning with the fiscal year ending June 30, 1941, the Commodity Credit Corporation is authorized and directed to loan to the Secretary such sums, not to exceed \$50,000,000, as he estimates will be required during such fiscal year, to make crop insurance premium advances and to make advances pursuant to the applicable provisions of sections 8 and 12 of the Soil Conservation and Domestic Allotment Act, as amended, in connection with programs applicable to crops harvested in the calendar year in which such fiscal year ends, and to pay the administrative expenses of county agricultural conservation associations for the calendar year in which such fiscal year ends. The sums so loaned during any fiscal year shall be transferred to the current appropriation available for carrying out sections 7 to 17 of such Act and shall be repaid, with interest at a rate to be determined by the Secretary but not less than the cost of money to the Commodity Credit Corporation for a comparable period, during the succeeding fiscal year from the appropriation available for that year or from any unobligated balance of the appropriation for any other year (7 U. S. C. 1391 (c)).

ADMINISTRATIVE EXPENSES

SEC. 392. (a) The Secretary is authorized and directed to make such expenditures as he deems necessary to carry out the provisions of this Act and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, including personal services and rents in the District of Columbia and elsewhere; traveling expenses; supplies and equipment; lawbooks, books of reference, directories, periodicals, and newspapers; and the preparation and display of exhibits, including such displays at community, county, State, interstate, and international fairs within the United States. The Secretary of the Treasury is authorized and directed upon the request of the Secretary to establish one or more separate appropriation accounts into which there shall be transferred from the respective funds available for the purposes of the several Acts, in connection with which personnel or other facilities of the Agricultural Adjustment Administration are utilized, proportionate amounts estimated by the Secretary to be required by the Agricultural Adjustment Administration for administrative expenses in carrying out or cooperating in carrying out any of the provisions of the respective Acts (7 U. S. C. 1392 (a)).

(b) In the administration of this title and sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 3 per centum of the total amount available for such fiscal year for carrying out the purposes of this title and such Act. In the administration of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (49 Stat. 774), as amended, and the Agricul-

tural Marketing Agreement Act of 1937, as amended, and those sections of the Agricultural Adjustment Act (of 1933), as amended, which were reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1942, for administrative expenses in the District of Columbia, including regional offices, and in the several States (not including the expenses of county and local committees) shall not exceed 4 per centum of the total amount available for such fiscal year for carrying out the purposes of said Acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such provisions shall be apprised of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed (7 U. S. C. 1392 (b)).

ALLOTMENT OF APPROPRIATIONS

SEC. 393. All funds for carrying out the provisions of this Act shall be available for allotment to bureaus and offices of the Department, and for transfer to such other agencies of the Federal Government, and to such State agencies, as the Secretary may request to cooperate or assist in carrying out the provisions of this Act (7 U. S. C. 1393).

TITLE IV—COTTON POOL PARTICIPATION TRUST CERTIFICATES

[The provisions of this title have not been repealed but are no longer applicable (7 U. S. C. 1401-1407).]

FEDERAL CROP INSURANCE ACT, AS AMENDED

EXPLANATORY NOTE

The Federal Crop Insurance Act, which was enacted as title V of the Agricultural Adjustment Act of 1938 (52 Stat. 72), established the Federal Crop Insurance Corporation to insure producers of wheat against unavoidable losses in production resulting from adverse weather conditions, disease, insect infestation and other hazards. In 1941, the act was amended to authorize the Corporation to insure cotton as well as wheat (55 Stat. 255). The Congress did not provide funds for insurance on crops harvested in 1944 but in December 1944, the insurance program was reinstated as to wheat and cotton and extended to permit the insuring of flax on a national basis and other commodities on an experimental basis (58 Stat. 918). In 1947, the Congress made a number of basic changes in the nature and scope of the crop insurance program the more important of which (1) placed crop insurance entirely on an experimental basis by restricting the number of commodities for which the Corporation could write insurance and the number of counties in which insurance could be offered; and (2) limited the level of insurance that could be provided to the general cost of producing the insured crop (61 Stat. 718). The act was again amended in 1949 to permit the Corporation to expand and to operate more efficiently the experimental program initiated by the 1947 legislation (63 Stat. 663).

PART III

FEDERAL CROP INSURANCE ACT, AS AMENDED

SHORT TITLE AND APPLICATION OF OTHER PROVISIONS

SEC. 501. This title may be cited as the "Federal Crop Insurance Act." Except as otherwise expressly provided the provisions in titles I to IV, inclusive, shall not apply with respect to this title, and the term "Act" wherever it appears in such titles shall not be construed to include this title¹ (7 U. S. C. 1501).

DECLARATION OF PURPOSE

SEC. 502. It is the purpose of this title to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance and providing the means for the research and experience helpful in devising and establishing such insurance (7 U. S. C. 1502).

SEC. 503. To carry out the purposes of this title, there is hereby created as an agency of and within the Department of Agriculture a body corporate with the name "Federal Crop Insurance Corporation" (herein called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices elsewhere in the United States under rules and regulations prescribed by the Board of Directors (7 U. S. C. 1503).

CAPITAL STOCK

SEC. 504. (a) The Corporation shall have a capital stock of \$100,-000,000 subscribed by the United States of America, payment for which shall, with the approval of the Secretary of Agriculture, be subject to call in whole or in part by the Board of Directors of the Corporation (7 U. S. C. 1504 (a)).

(b) There is hereby authorized to be appropriated such sums as are necessary for the purpose of subscribing to the capital stock of the Corporation (7 U. S. C. 1504 (b)).

(c) Receipts for payments by the United States of America for or on account of such stock shall be issued by the Corporation to the Secretary of the Treasury and shall be evidence of the stock ownership by the United States of America (7 U. S. C. 1504 (c)).

MANAGEMENT OF CORPORATION

SEC. 505. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter called the "Board") subject to the general supervision of the Secretary of Agriculture. The Board

¹ The Federal Crop Insurance Act was enacted as title V of the Agricultural Adjustment Act of 1938.

shall consist of the manager of the Corporation, two other persons employed in the Department of Agriculture, and two persons experienced in the insurance business who are not otherwise employed by the Government. The Board shall be appointed by, and hold office at the pleasure of the Secretary of Agriculture, who shall not, himself, be a member of the Board (7 U. S. C. 1505 (a)).

(b) Vacancies in the Board so long as there shall be three members in office shall not impair the powers of the Board to execute the functions of the Corporation, and three of the members in office shall constitute a quorum for the transaction of the business of the Board (7 U. S. C. 1505 (b)).

(c) The Directors of the Corporation who are employed in the Department of Agriculture shall receive no additional compensation for their services as such Directors but may be allowed necessary traveling and subsistence expenses when engaged in business of the Corporation, outside of the District of Columbia. The members of the Board who are not employed by the Government shall be paid such compensation for their services as directors as the Secretary of Agriculture shall determine, but such compensation shall not exceed \$50 per day each when actually employed and transportation expenses plus not to exceed \$10 per diem in lieu of subsistence expenses when on business of the Corporation away from their homes or regular places of business (7 U. S. C. 1505 (c)).

(d) The manager of the Corporation shall be its chief executive officer, with such power and authority as may be conferred upon him by the Board. He shall be appointed by, and hold office at the pleasure of, the Secretary of Agriculture (7 U. S. C. 1505 (d)).

GENERAL POWERS

SEC. 506. The Corporation—

(a) shall have succession in its corporate name (7 U. S. C. 1506 (a));

(b) may adopt, alter, and use a corporate seal, which shall be judicially noticed (7 U. S. C. 1506 (b));

(c) may make contracts and purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business, and may dispose of such property held by it upon such terms as it deems appropriate (7 U. S. C. 1506 (c));

(d) subject to the provisions of section 508 (c), may sue and be sued in its corporate name in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is hereby conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property (7 U. S. C. 1506 (d));

(e) may adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers granted to it by law may be exercised and enjoyed (7 U. S. C. 1506 (e));

(f) shall be entitled to the free use of the United States mails in the same manner as the other executive agencies of the Government (7 U. S. C. 1506 (f));

(g) with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officials, and employees thereof in carrying out the provisions of this title (7 U. S. C. 1506 (g)) ;

(h) may conduct researches, surveys, and investigations relating to crop insurance and shall assemble data for the purpose of establishing sound actuarial bases for insurance on agricultural commodities (7 U. S. C. 1506 (h)) ;

(i) shall determine the character and necessity for its expenditures under this title and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government (7 U. S. C. 1506 (i)) ; and

(j) shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation and all such incidental powers as are customary in corporations generally (7 U. S. C. 1506 (j)) .

PERSONNEL

SEC. 507. (a) The Secretary shall appoint such officers and employees as may be necessary for the transaction of the business of the Corporation pursuant to civil-service laws and regulations, fix their compensation in accordance with the provisions of the [Classification Act of 1949 (5 U. S. C. 1071-1153)] , define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require bond of such of them as he may designate, and fix the penalties and pay the premiums of such bonds: *Provided*, That personnel paid by the hour, day, or month when actually employed, and county crop insurance committeemen may be appointed and their compensation fixed without regard to civil-service laws and regulations or the [Classification Act of 1949] (7 U. S. C. 1507 (a)) .

(b) Insofar as applicable, the benefits of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, shall extend to persons given employment under the provisions of this title, including the employees of the committees and associations referred to in subsection (c) of this section and the members of such committees (7 U. S. C. 1507 (b)) .

(c) The Board may establish or utilize committees or associations of producers in the administration of this title and make payments to such committees or associations to cover the estimated administrative expenses to be incurred by them in cooperating in carrying out this title and may provide that all or part of such estimated expenses may be included in the insurance premiums provided for in this title (7 U. S. C. 1507 (c)) .

(d) The Secretary of Agriculture may allot to bureaus and offices of the Department of Agriculture or transfer to such other agencies of the State and Federal Governments as he may request to assist in carrying out this title any funds made available pursuant to the provisions of section 516 of this Act, except that employees or agencies

responsible for administering this Act in each county shall be selected and designated by the Corporation and shall be responsible directly to the Corporation without the intervention of any intermediate office or agency (7 U. S. C. 1507 (d)).

(e) In carrying out the provisions of this title the Board may, in its discretion, utilize producer-owned and producer-controlled co-operative associations (7 U. S. C. 1507 (e)).

CROP INSURANCE

SEC. 508. To carry out the purposes of this title the Corporation is authorized and empowered—

(a) Commencing with crops planted for harvest in 1948, for the purpose of determining the most practical plan, terms, and conditions of insurance for agricultural commodities, if sufficient actuarial data are available, as determined by the Board, to insure, or to reinsure insurers of, producers of such agricultural commodities under any plan or plans of insurance determined by the Board to be adapted to any such commodity. Such insurance shall be against loss of the insured commodity due to unavoidable causes, including drought, flood, hail, wind, frost, winterkill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board: *Provided*, That, except in the case of tobacco, such insurance shall not extend beyond the period the insured commodity is in the field. In 1948 insurance shall be limited to not more than seven agricultural commodities (including wheat, cotton, flax, corn, and tobacco) and to not more than three additional agricultural commodities in each year thereafter: *Provided*, That other agricultural commodities may be included in multiple crop insurance (insurance on two or more agricultural commodities under one contract with a producer). Insurance shall be limited to producers in not to exceed 200 counties in the case of wheat, 56 counties in the case of cotton, 50 counties each in the case of corn and flax, 35 counties in the case of tobacco, 20 counties in the case of any other agricultural commodity, and, in addition, 50 counties in the case of multiple crop insurance: *Provided*, That, beginning with crops planted for harvest in 1950, and continuing through the crops planted for harvest in 1951, 1952, and 1953, the number of counties for insurance on wheat, cotton, corn, flax, and tobacco, and for multiple crop insurance may be increased each year by not in excess of 50 per centum of the number of counties specified above and the county limitations specified for other insurance may be similarly increased as to any agricultural commodity after insurance for such commodity has been provided for 3 years. Reinsurance for private insurance companies shall be limited to not to exceed 20 counties which may be selected without regard to the other county limitations specified herein. Any insurance offered against loss in yield shall not cover in excess of 75 per centum of the recorded or appraised average yield of the commodity on the insured farm for a representative period subject to such adjustments as the Board may prescribe to the end that the average yields fixed for farms in the same area, which are subject to the same conditions, may be fair and just: *Provided*, That if 75 per centum of the average yield represents generally more protection than the investment in the crop in any area, taking

into consideration recognized farming practices, the Board shall reduce such maximum percentage so as more nearly to reflect the investment in the crop in such area. Insurance provided under this subsection shall not cover losses due to the neglect or malfeasance of the producer, or to the failure of the producer to reseed to the same crop in areas and under circumstances where it is customary to so reseed, or to the failure of the producer to follow established good farming practices. Counties selected by the Board shall be representative of the several areas where the agricultural commodity insured is normally produced. The Board may limit or refuse insurance in any county or area, or on any farm, on the basis of the insurance risk involved. Insurance shall not be provided in any county unless written applications therefor are filed covering at least 200 farms or one-third of the farms normally producing the agricultural commodity, excluding farms refused insurance on the basis of the risk involved; nor shall insurance on any agricultural commodity be provided in any county in which the Board determines that the income from such commodity constitutes an unimportant part of the total agricultural income of the county. The Corporation shall report annually to the Congress the results of its operations as to each commodity insured (7 U. S. C. 1508 (a)).

(b) To fix adequate premiums for insurance in the agricultural commodity or in cash, at such rates as the Board deems sufficient to cover claims for crop losses on such insurance and to establish as expeditiously as possible a reasonable reserve against unforeseen losses: *Provided*, That such premiums may be established on the basis of the parity or comparable price for the commodity as determined and published by the Secretary of Agriculture, or on the basis of an average market price designated by the Board. Such premiums shall be collected at such time or times, or shall be secured in such manner, as the Board may determine (7 U. S. C. 1508 (b)).

(c) To adjust and pay claims for losses in the agricultural commodity or in cash, under rules prescribed by the Board: *Provided*, That indemnities may be determined on the same price basis as premiums are determined for the crop with respect to which such indemnities are paid. The Corporation shall provide for the posting annually in each county at the county courthouse of a list of indemnities paid for losses on farms in such county. In the event that any claim for indemnity under the provisions of this title is denied by the Corporation, an action on such claim may be brought against the Corporation in the United States district court, or in any court of record of the State having general jurisdiction, sitting in the district or county in which the insured farm is located, and jurisdiction is hereby conferred upon such district courts to determine such controversies without regard to the amount in controversy: *Provided*, That no suit on such claim shall be allowed under this section unless the same shall have been brought within 1 year after the date when notice of denial of the claim is mailed to and received by the claimant (7 U. S. C. 1508 (c)).

(d) From time to time, in such manner and through such agencies as the Board may determine, to purchase, handle, store, insure, provide storage facilities for, and sell the agricultural commodity, and pay any expenses incidental thereto, it being the intent of this pro-

vision, however, that, insofar as practicable, the Corporation shall purchase the agricultural commodity only at the rate and to a total amount equal to the payment of premiums in cash by farmers or to replace promptly the agricultural commodity sold to prevent deterioration; and shall sell the agricultural commodity only to the extent necessary to cover payments of indemnities and to prevent deterioration: *Provided, however,* That nothing in this section shall prevent prompt offset purchases and sales of the agricultural commodity for convenience in handling. Nothing in this section shall prevent the Corporation from accepting, for the payment of premiums, notes payable in the commodity insured, or the cash equivalent, upon such security as may be determined pursuant to subsection (b) of this section, and from purchasing the quantity of the commodity represented by any of such notes not paid at maturity. The restriction on the purchase and sale of the agricultural commodity provided in this section shall be made a part of any crop insurance agreement made under this title. Notwithstanding any provision of this title, there shall be no limitation upon the legal or equitable remedies available to the insured to enforce against the Corporation the foregoing restriction with respect to purchases and sales of the agricultural commodity (7 U. S. C. 1508 (d)).

(e) In connection with insurance upon yields of cotton, to include provision for additional premium and indemnity in terms of lint cotton to cover loss of cottonseed, such additional premium and indemnity to be determined on the basis of the average relationship between returns from cottonseed and returns from lint cotton for the same period of years as that used for computing yields and premium rates (7 U. S. C. 1508 (e)).

INDEMNITIES EXEMPT FROM LEVY

SEC. 509. Claims for indemnities under this title shall not be liable to attachment, levy, garnishment, or any other legal process before payment to the insured or to deduction on account of the indebtedness of the insured or his estate to the United States except claims of the United States or the Corporation arising under this title (7 U. S. C. 1509).

DEPOSIT OF FUNDS

SEC. 510. All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers conferred by this title (7 U. S. C. 1510).

TAX EXEMPTION

SEC. 511. The Corporation, including its franchise, its capital, reserves, and surplus, and its income and property, shall be exempt from all taxation now or hereafter imposed by the United States or by any Territory, dependency, or possession thereof, or by any State, county, municipality or local taxing authority (7 U. S. C. 1511).

FISCAL AGENT OF GOVERNMENT

SEC. 512. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depository of public money, except receipts from customs, under such regulations as may be prescribed by said Secretary; and it may also be employed as a financial agent of the Government; and it shall perform all such reasonable duties, as a depository of public money and financial agent of the Government, as may be required of it (7 U. S. C. 1512).

ACCOUNTING BY CORPORATION

SEC. 513. The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation. The financial transactions of the Corporation shall be audited at least once each year by the General Accounting Office for the sole purpose of making a report to Congress, together with such recommendations as the Comptroller General of the United States may deem advisable: *Provided*, That such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the General Accounting Office, to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by the Comptroller General with his report (7 U. S. C. 1513).

CRIMES AND OFFENSES

SEC. 514. (Subsections (a) through (e) repealed by 62 Stat. 859.)

(See criminal provisions beginning on p. 86.)

(f) The provisions of section 22 of Title 41 shall not apply to any crop insurance agreements made under this title (7 U. S. C. 1514 (f)).

ADVISORY COMMITTEE

SEC. 515. The Secretary of Agriculture is authorized to appoint from time to time an advisory committee, consisting of not more than five members experienced in agricultural pursuits and appointed with due consideration to their geographical distribution, to advise the Corporation with respect to carrying out the purposes of this title. The compensation of the members of such committee shall be determined by the Board but shall not exceed \$10 per day each while actually employed and actual necessary traveling and subsistence expenses, or a per diem allowance in lieu thereof (7 U. S. C. 1515).

APPROPRIATIONS AND REGULATIONS

SEC. 516. (a) There are hereby authorized to be appropriated such sums, not in excess of \$12,000,000 for each fiscal year beginning after June 30, 1938, as may be necessary to cover the operating and administrative costs of the Corporation, which shall be allotted to the Corporation in such amounts and at such time or times as the Secretary of Agriculture may determine: *Provided*, That expenses in connection with the purchase, transportation, handling, or sale of the agricultural commodity may be considered by the Corporation as being nonadministrative or nonoperating expenses. For the fiscal year ending June 30, 1939, the appropriation authorized under this subsection is authorized to be made only out of the unexpended balances for the fiscal year ending June 30, 1938, of the sums appropriated pursuant to section 15

of the Soil Conservation and Domestic Allotment Act, as amended (7 U. S. C. 1516 (a)).

(b) The Secretary and the Corporation, respectively, are authorized to issue such regulations as may be necessary to carry out the provisions of this title (7 U. S. C. 1516 (b)).

SEPARABILITY

SEC. 517. The sections of this title and subdivisions of sections are hereby declared to be separable, and in the event any one or more sections or parts of the same of this title be held to be unconstitutional, the same shall not affect the validity of other sections or parts of sections of this title (7 U. S. C. 1517).

SEC. 518. "Agricultural commodity," as used in this title, means wheat, cotton, flax, corn, dry beans, oats, barley, rye, tobacco, rice, peanuts, soybeans, sugar beets, sugarcane, timber and forests, potatoes and other vegetables, citrus and other fruits, tame hay, or any other agricultural commodity determined by the Board pursuant to subsection (a) of section 508 of this title, or any one or more of such commodities, as the context may indicate (7 U. S. C. 1518).

RIGHT TO AMEND

SEC. 519. The right to alter, amend, or repeal this title is hereby reserved (7 U. S. C. 1519).

CRIMINAL PROVISIONS APPLICABLE TO FEDERAL CROP INSURANCE CORPORATION

Whoever, being an officer, agent or employee of or connected in any capacity with the Reconstruction Finance Corporation, Federal Deposit Insurance Corporation, Home Owners' Loan Corporation, Farm Credit Administration, Federal Housing Administration, Federal Farm Mortgage Corporation, Federal Crop Insurance Corporation, Farmers' Home Corporation or any land bank, intermediate credit bank, bank for cooperatives or any lending, mortgage, insurance, credit or savings and loan corporation or association authorized or acting under the laws of the United States, and whoever, being a receiver of any such institution, or agent or employee of the receiver, embezzles, abstracts, purloins or willfully misapplies any moneys, funds, credits, securities or other things of value belonging to such institution, or pledged or otherwise intrusted to its care, shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both; but if the amount or value embezzled, abstracted, purloined or misapplied does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both (18 U. S. C. 657).

Whoever, with intent to defraud, knowingly conceals, removes, disposes of, or converts to his own use or to that of another, any property mortgaged or pledged to, or held by, the Farm Credit Administration, any Federal intermediate credit bank, or the Federal Farm Mortgage Corporation, Federal Crop Insurance Corporation, Farmers' Home Corporation, or any production credit corporation or corporation in which a production credit corporation holds stock, any regional agricultural credit corporation, or any bank for cooperatives, shall be fined not more than \$5,000 or imprisoned not more than 5 years, or both; but if the value of such property does not exceed \$100,

he shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both (18 U. S. C. 658).

Whoever, being an officer, agent or employee of or connected in any capacity with the Reconstruction Finance Corporation, Federal Deposit Insurance Corporation, Home Owners' Loan Corporation, Farm Credit Administration, Federal Housing Administration, Federal Farm Mortgage Corporation, Federal Crop Insurance Corporation, Farmers' Home Corporation, or any land bank, intermediate credit bank, bank for cooperatives or any lending, mortgage, insurance, credit or savings and loan corporation or association authorized or acting under the laws of the United States, with intent to defraud any such institution or any other company, body politic or corporate, or any individual, or to deceive any officer, auditor, examiner or agent of any such institution or of department or agency of the United States, makes any false entry in any book, report or statement of or to any such institution, or without being duly authorized, draws any order or bill of exchange, makes any acceptance, or issues, puts forth or assigns any note, debenture, bond or other obligation, or draft, bill of exchange, mortgage, judgment, or decree, or, with intent to defraud the United States or any agency thereof, or any corporation, institution, or association referred to in this section, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of any such corporation, institution, or association, shall be fined not more than \$10,000 or imprisoned not more than 5 years, or both (18 U. S. C. 1006).

Whoever knowingly makes any false statement or report, or willfully overvalues any land, property or security, for the purpose of influencing in any way the action of the Reconstruction Finance Corporation, Farm Credit Administration, Federal Crop Insurance Corporation, Farmers' Home Corporation, any Federal intermediate credit bank, or the Federal Farm Mortgage Corporation, or any division, officer, or employee thereof, or of any corporation organized under sections 1131-1134m of Title 12, or in which a Production Credit Corporation holds stock, or of any regional agricultural credit corporation established pursuant to law, or of the National Agricultural Credit Corporation, a Federal Home Loan Bank, the Federal Home Loan Bank Board, the Home Owners' Loan Corporation, a Federal Savings and Loan Association, a Federal land bank, a joint-stock land bank, a National farm loan association, or of a Federal Reserve Bank, upon any application, advance, discount, purchase, purchase agreement, repurchase agreement, commitment, or loan, or any change or extension of any of the same, by renewal, deferment of action or otherwise, or the acceptance, release, or substitution of security therefor, shall be fined not more than \$5,000 or imprisoned not more than 2 years, or both (18 U. S. C. 1014).

Whoever, while acting in any official capacity in the administration of any Act of Congress relating to crop insurance or to the Federal Crop Insurance Corporation speculates in any agricultural commodity or product thereof, to which such enactments apply, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product, shall be fined not more than \$10,000 or imprisoned not more than 2 years, or both (18 U. S. C. 1903).

SUGAR ACT OF 1948, AS AMENDED

EXPLANATORY NOTE

The first statute authorizing the imposition of sugar quotas on all areas supplying the United States market, including the mainland cane sugar area, the domestic beet sugar areas, and Hawaii, Puerto Rico, and the Virgin Islands, was the Jones-Costigan Sugar Act, approved in May 1934, which was an amendment to the Agricultural Adjustment Act of 1933. This act also authorized the Secretary to impose a processing tax on sugar and to enter into contracts with domestic growers providing for payments on a production limited to area quotas. In 1936 the production control and processing tax provisions of the Agricultural Adjustment Act were invalidated in the case of *United States v. Butler* (297 U. S. 1); however, sugar quotas were continued in effect and were subsequently revised and reenacted in the Sugar Act of 1937. The act of 1937 also provided for payments to producers of sugarcane and sugar beets who complied with specified conditions relating to child labor, farm wages, acreage allotments, soil conservation, and, for producers who were also processors, fair prices for sugarcane.

The Sugar Act of 1948, enacted in August 1947, reenacted the Sugar Act of 1937 with certain changes, the most important of which related to the determination of the annual estimate of sugar consumption and the establishment of annual area sugar quotas.

PART IV

SUGAR ACT OF 1948, AS AMENDED ¹

AN ACT

To regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Sugar Act of 1948" (7 U. S. C. 1100).

TITLE I—DEFINITIONS

SEC. 101. For the purposes of this Act, except title V—

(a) The term "person" means an individual, partnership, corporation, or association (7 U. S. C. 1101 (a)).

(b) The term "sugars" means any grade or type of saccharine product derived from sugarcane or sugar beets, which contains sucrose, dextrose, or levulose (7 U. S. C. 1101 (b)).

(c) The term "sugar" means raw sugar or direct-consumption sugar (7 U. S. C. 1101 (c)).

(d) The term "raw sugar" means any sugars which are principally of crystalline structure and which are to be further refined or improved in quality, and any sugars which are principally not of crystalline structure, but which are to be further refined or otherwise improved in quality to produce any sugars principally of crystalline structure (7 U. S. C. 1101 (d)).

(e) The term "direct-consumption sugar" means any sugars which are principally of crystalline structure and which are not to be further refined or otherwise improved in quality (7 U. S. C. 1101 (e)).

(f) The term "liquid sugar" means any sugars (exclusive of sirup of cane juice produced from sugarcane grown in continental United States) which are principally not of crystalline structure and which contain, or which are to be used for the production of any sugars principally not of crystalline structure which contain, soluble non-sugar solids (excluding any foreign substances that may have been added or developed in the product) equal to 6 per centum or less of the total soluble solids (7 U. S. C. 1101 (f)).

(g) Sugars in dry amorphous form shall be considered to be principally of crystalline structure (7 U. S. C. 1101 (g)).

¹ Includes amendments made to sections 202, 204, 207, 208, and 411 by Public Law 140, 82d Cong., approved September 1, 1951, which become effective January 1, 1953, except for some provisions which become effective prior to that time for purposes of determinations and regulations required to be issued in 1952 for the calendar year 1953.

(h) The "raw value" of any quantity of sugars means its equivalent in terms of ordinary commercial raw sugar testing 96 sugar degrees by the polariscope, determined in accordance with regulations to be issued by the Secretary. The principal grades and types of sugar and liquid sugar shall be translated into terms of raw value in the following manner:

(1) For direct-consumption sugar, derived from sugar beets and testing 92 or more sugar degrees by the polariscope, by multiplying the number of pounds thereof by 1.07;

(2) For sugar, derived from sugarcane and testing 92 sugar degrees by the polariscope, by multiplying the number of pounds thereof by 0.93;

(3) For sugar, derived from sugarcane and testing more than 92 sugar degrees by the polariscope, by multiplying the number of pounds thereof by the figure obtained by adding to 0.93 the result of multiplying 0.0175 by the number of degrees and fractions of a degree of polarization above 92°;

(4) For sugar and liquid sugar, testing less than 92 sugar degrees by the polariscope, by dividing the number of pounds of the "total sugar content" thereof by 0.972.

(5) The Secretary may establish rates for translating sugar and liquid sugar into terms of raw value for (a) any grade or type of sugar or liquid sugar not provided for in the foregoing and (b) any special grade or type of sugar or liquid sugar for which he determines that the raw value cannot be measured adequately under the provisions of paragraphs (1) to (4), inclusive, of this subsection (h) (7 U. S. C. 1101 (h)).

(i) The term "total sugar content" means the sum of the sucrose (Clerget) and reducing or invert sugars contained in any grade or type of sugar or liquid sugar (7 U. S. C. 1101 (i)).

(j) The term "quota," depending upon the context, means (1) that quantity of sugar or liquid sugar which may be brought or imported into the continental United States, for consumption therein, during any calendar year, from the Territory of Hawaii, Puerto Rico, the Virgin Islands, or a foreign country or group of foreign countries; (2) that quantity of sugar or liquid sugar produced from sugar beets or sugarcane grown in the continental United States which, during any calendar year, may be shipped, transported, or marketed in interstate commerce, or in competition with sugar or liquid sugar shipped, transported, or marketed in interstate or foreign commerce; or (3) that quantity of sugar or liquid sugar which may be marketed in the Territory of Hawaii or in Puerto Rico, for consumption therein, during any calendar year (7 U. S. C. 1101 (j)).

(k) The term "producer" means a person who is the legal owner, at the time of harvest or abandonment, of a portion or all of a crop of sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar (7 U. S. C. 1101 (k)).

(l) The terms "including" and "include" shall not be deemed to exclude anything not mentioned but otherwise within the meaning of the term defined (7 U. S. C. 1101 (l)).

(m) The term "Secretary" means the Secretary of Agriculture (7 U. S. C. 1101 (m)).

TITLE II—QUOTA PROVISIONS

ANNUAL ESTIMATE OF CONSUMPTION IN CONTINENTAL UNITED STATES

SEC. 201. The Secretary shall determine for each calendar year, beginning with the calendar year 1948, the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year (in the case of the calendar year 1948, during the first 10 days thereof) and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and for changes in consumption because of changes in population and demand conditions, as computed from statistics published by agencies of the Federal Government; and, in order that such determinations shall be made so as to protect the welfare of consumers and of those engaged in the domestic sugar industry by providing such supply of sugar as will be consumed at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry, the Secretary, in making any such determination, in addition to the consumption, inventory, population, and demand factors above specified and the level and trend of consumer purchasing power, shall take into consideration the relationship between the prices at wholesale for refined sugar that would result from such determination and the general cost of living in the United States as compared with the relationship between prices at wholesale for refined sugar and the general cost of living in the United States obtaining during 1947 prior to the termination of price control of sugar as indicated by the Consumers' Price Index as published by the Bureau of Labor Statistics of the Department of Labor (7 U. S. C. 1111).

PRORATION OF QUOTAS

SEC. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas—

(a) For domestic sugar-producing areas, by apportioning among such areas 4,444,000 short tons, raw value, as follows:

<i>Area</i>	<i>Short tons, raw value</i>
Domestic beet sugar-----	1, 800, 000
Mainland cane sugar-----	500, 000
Hawaii-----	1, 052, 000
Puerto Rico-----	1, 080, 000
Virgin Islands-----	12, 000

(7 U. S. C. 1112 (a).)

(b) For the Republic of the Philippines, in the amount of 952,000 short tons of sugar as specified in section 211 of the Philippine Trade Act of 1946 (7 U. S. C. 1112 (b)).

(c) For foreign countries other than the Republic of the Philippines, by prorating among such countries an amount of sugar, raw value, equal to the amount determined pursuant to section 201 less the sum of the quotas established pursuant to subsections (a) and (b) of this section, on the following basis:

<i>Country</i>	<i>Per centum</i>
Cuba-----	96
Foreign countries other than Cuba and the Republic of the Philippines----	4

Ninety-five per centum of the quota for foreign countries other than Cuba and the Republic of the Philippines shall be prorated among such countries on the basis of the average amount imported from each such country within the quotas established for the years 1948, 1949, and 1950, except that a separate proration need not be established for any country which entered less than 2 per centum of the average importations within the quotas for such years. The amount of the quota not so prorated may be filled by countries not receiving separate proratations, but no such country shall enter an amount pursuant to this subsection in excess of 1 per centum of the quota for foreign countries other than Cuba and the Republic of the Philippines (7 U. S. C. 1112 (c)).

(d) Notwithstanding the other provisions of this title II, the minimum quota established for Cuba, including increases resulting from deficits determined pursuant to section 204 (a), shall not be less than the following:

- (1) 28.6 per centum of the amount of sugar determined under section 201 when such amount is 7,400,000 short tons or less; and
- (2) two million one hundred and sixteen thousand short tons, when the amount of sugar determined under section 201 is more than 7,400,000 short tons.

The quotas for domestic sugar-producing areas, established pursuant to the other provisions of this title II, shall be reduced pro rata by such amounts as may be required to establish such minimum quota for Cuba (7 U. S. C. 1112 (d)).

CONSUMPTION ESTIMATES AND QUOTAS FOR HAWAII AND PUERTO RICO

SEC. 203. In accordance with such provisions of section 201 as he deems applicable, the Secretary shall also determine the amount of sugar needed to meet the requirements of consumers in the Territory of Hawaii, and in Puerto Rico, and shall establish quotas for the amounts of sugar which may be marketed for local consumption in such areas equal to the amounts determined to be needed to meet the requirements of consumers therein (7 U. S. C. 1113).

PRORATION OF QUOTA DEFICITS

SEC. 204. (a) The Secretary shall from time to time determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugar beets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any area will be unable to market the quota for such area. If the Secretary finds that any domestic area or Cuba will be unable to market the quota for such area, he shall revise the quotas for the domestic areas and Cuba by prorating an amount of sugar equal to the deficit so determined to the other such areas on the

basis of the quotas then in effect. If the Secretary finds that the Republic of the Philippines will be unable to market the quota for such area, he shall revise the quotas for Cuba and foreign countries other than Cuba and the Republic of the Philippines by prorating an amount of sugar equal to the deficit so determined, as follows:

To Cuba, 96 per centum; and

To foreign countries other than Cuba and the Republic of the Philippines, 4 per centum.

If the Secretary finds that foreign countries other than Cuba and the Republic of the Philippines cannot fill the quota for such area, he shall increase the quota for Cuba by an amount equal to the deficit.

Whenever the Secretary finds that any area will be unable to fill its proration of any such deficit, he may apportion such unfilled amount on such basis and to such areas as he determines is required to fill such deficit (7 U. S. C. 1114 (a)).

(b) Whenever the Secretary finds that any country will be unable to fill the proration to such country of the quota for foreign countries other than Cuba and the Republic of the Philippines established under section 202 (c), or that any part of such proration has not been filled on September 1 of the calendar year, he may apportion such unfilled amount on such basis and to such countries as he determines is required to fill such proration (7 U. S. C. 1114 (b)).

(c) The quota or applicable proration for any domestic area, the Republic of the Philippines, Cuba, or other foreign countries as established under the provisions of section 202 shall not be reduced by reason of any determination of a deficit existing in any calendar year under the provisions of subsections (a) and (b) of this section (7 U. S. C. 1114 (c)).

ALLOTMENTS OF QUOTAS OR PRORATIONS

SEC. 205. (a) Whenever the Secretary finds that the allotment of any quota, or proration thereof, established for any area pursuant to the provisions of this Act, is necessary to assure an orderly and adequate flow of sugar or liquid sugar in the channels of interstate or foreign commerce, or to prevent disorderly marketing or importation of sugar or liquid sugar, or to maintain a continuous and stable supply of sugar or liquid sugar, or to afford all interested persons an equitable opportunity to market sugar or liquid sugar within any area's quota, after such hearing and upon such notice as he may by regulations prescribe, he shall make allotments of such quota or proration thereof by allotting to persons who market or import sugar or liquid sugar, for such periods as he may designate, the quantities of sugar or liquid sugar which each such person may market in continental United States, the Territory of Hawaii, or Puerto Rico, or may import or bring into continental United States, for consumption therein. Allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of such quota or proration thereof, by taking into consideration the processings of sugar or liquid sugar from sugar beets or sugarcane to which proportionate shares, determined pursuant to the provisions of subsection (b) of section 302, pertained; the past marketings or importations of each such person; and the ability of such person to market or import that portion of such quota or proration thereof allotted to him. The Secretary may also,

upon such hearing and notice as he may by regulations prescribe, revise or amend any such allotment upon the same basis as the initial allotment was made (7 U. S. C. 1115 (a)).

(b) An appeal may be taken, in the manner hereinafter provided from any decision making such allotments, or revisions thereof, to the United States Court of Appeals for the District of Columbia in any of the following cases:

(1) By any applicant for an allotment whose application shall have been denied.

(2) By any person aggrieved by reason of any decision of the Secretary granting or revising any allotment made to him (7 U. S. C. 1115 (b)).

(c) Such appeal shall be taken by filing with said court, within 20 days after the decision complained of is effective, notice in writing of said appeal and a statement of the reasons therefor, together with proof of service of a true copy of said notice and statement upon the Secretary. Unless a later date is specified by the Secretary as part of his decision, the decision complained of shall be considered to be effective as of the date on which public announcement of the decision is made at the office of the Secretary in the city of Washington. The Secretary shall thereupon, and in any event not later than 10 days from the date of such service upon him, mail or otherwise deliver a copy of said notice of appeal to each person shown by the records of the Secretary to be interested in such appeal and to have a right to intervene therein under the provisions of this section, and shall at all times thereafter permit any such person to inspect and make copies of appellants' reasons for said appeal at the office of the Secretary in the city of Washington. Within 30 days after the filing of said appeal the Secretary shall file with the court the originals or certified copies of all papers and evidence presented to him upon the hearing involved, a like copy of his decision thereon, a full statement in writing of the facts and grounds for his decisions as found and given by him and a list of all interested persons to whom he has mailed or otherwise delivered a copy of said notice of appeal (7 U. S. C. 1115 (c)).

(d) Within 30 days after the filing of said appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party together with proof of service of true copies of said notice and statement, both upon the appellant and upon the Secretary. Any person who would be aggrieved or whose interests would be adversely affected by reversal or modification of the decision of the Secretary complained of shall be considered an interested party (7 U. S. C. 1115 (d)).

(e) At the earliest convenient time the court shall hear and determine the appeal upon the record before it, and shall have power, upon such record, to enter a judgment affirming or reversing the decision, and if it enters an order reversing the decision of the Secretary it shall remand the case to the Secretary to carry out the judgment of the court: *Provided, however,* That the review by the court shall be limited to questions of law and that findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive unless it shall clearly appear that the findings of the Secretary are arbitrary or ca-

precious. The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States, upon writ of certiorari on petition therefor, under section 240 of the Judicial Code, as amended (U. S. C., title 28, sec. 1254), by appellant, by the Secretary, or by any interested party intervening in the appeal (7 U. S. C. 1115 (e)).

(f) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, and other interested parties intervening in said appeal, but not against the Secretary, depending upon the nature of the issues involved in such appeal and the outcome thereof (7 U. S. C. 1115 (f)).

SEC. 206. Subject to the provisions of sections 207 and 408 relating to the suspension of quotas, sugar quotas shall be established pursuant to this Act for the calendar year 1948 within 10 days after effective date of this Act (7 U. S. C. 1116).

AMOUNT OF QUOTA TO BE FILLED BY DIRECT-CONSUMPTION SUGAR

SEC. 207. (a) Not more than 29,616 short tons, raw value, of the quota for Hawaii for any calendar year may be filled by direct-consumption sugar (7 U. S. C. 1117 (a)).

(b) Not more than 126,033 short tons, raw value, of the quota for Puerto Rico for any calendar year may be filled by direct-consumption sugar (7 U. S. C. 1117 (b)).

(c) None of the quota for the Virgin Islands for any calendar year may be filled by direct-consumption sugar (7 U. S. C. 1117 (c)).

(d) Not more than 56,000 short tons of sugar of the quota for the Republic of the Philippines for any calendar year may be filled by direct-consumption sugar as specified in section 211 of the Philippine Trade Act of 1946 (7 U. S. C. 1117 (d)).

(e) Not more than 375,000 short tons, raw value, of the quota for Cuba for any calendar year may be filled by direct-consumption sugar (7 U. S. C. 1117 (e)).

(f) This section shall not apply with respect to the quotas established under section 203 for marketing for local consumption in Hawaii and Puerto Rico (7 U. S. C. 1117 (f)).

(g) The direct-consumption portions of the quotas established pursuant to this section, and the enforcement provisions of title II applicable thereto, shall continue in effect and shall not be subject to suspension pursuant to the provisions of section 408 of this Act unless the President acting thereunder specifically finds and proclaims that a national economic or other emergency exists with respect to sugar or liquid sugar which requires the suspension of direct-consumption portions of the quotas (7 U. S. C. 1117 (g)).

(h) The quota for foreign countries other than Cuba and the Republic of the Philippines may be filled by direct-consumption sugar only to the extent of 1.36 per centum of the amount of sugar determined pursuant to section 201 less the sum of the quotas established in subsections (a) and (b) of section 202: *Provided*, That each such country shall be permitted to enter an amount of direct-consumption sugar not less than the average amount entered by it during the years 1948, 1949, and 1950 (7 U. S. C. 1117 (h)).

LIQUID SUGAR QUOTAS

SEC. 208. Quotas for liquid sugar for foreign countries for each calendar year are hereby established as follows:

<i>Country</i>	<i>In terms of wine gallons of 72 per centum total sugar content</i>
Cuba -----	7, 970, 558
Dominican Republic -----	830, 894
British West Indies -----	300, 000
Other foreign countries -----	0

(7 U. S. C. 1118).

PROHIBITED ACTS

SEC. 209. All persons are hereby prohibited—

(a) From bringing or importing into the continental United States from the Territory of Hawaii, Puerto Rico, the Virgin Islands, or foreign countries, (1) any sugar or liquid sugar after the applicable quota, or the proration of any such quota, has been filled, or (2) any direct-consumption sugar after the direct-consumption portion of any such quota has been filled (7 U. S. C. 1119 (a));

(b) From shipping, transporting, or marketing in interstate commerce, or in competition with sugar or liquid sugar shipped, transported, or marketed in interstate or foreign commerce, any sugar or liquid sugar produced from sugar beets or sugarcane grown in either the domestic-beet-sugar area or the mainland cane-sugar area after the quota for such area has been filled (7 U. S. C. 1119 (b));

(c) From marketing in either the Territory of Hawaii or Puerto Rico, for consumption therein, any sugar or liquid sugar after the quota therefor has been filled (7 U. S. C. 1119 (c));

(d) From exceeding allotments of any quota, direct-consumption portion of any quota, or proration of any quota, made to them pursuant to the provisions of this Act (7 U. S. C. 1119 (d)).

SEC. 210. (a) The determinations provided for in sections 201 and 203, and all quotas, prorations, and allotments, except quotas established pursuant to the provisions of section 208, shall be made or established in terms of raw value (7 U. S. C. 1120 (a)).

(b) For the purposes of this title, liquid sugar, except that imported from foreign countries, shall be included with sugar in making the determinations provided for in sections 201 and 203 and in the establishment or revision of quotas, prorations, and allotments (7 U. S. C. 1120 (b)).

EXPORTATION OF SUGAR

SEC. 211. (a) The raw-value equivalent of any sugar or liquid sugar in any form, including sugar or liquid sugar in manufactured products, exported from the continental United States under the provisions of section 313 of the Tariff Act of 1930 shall be credited against any charges which shall have been made in respect to the applicable quota or proration for the country of origin. The country of origin of sugar or liquid sugar in respect to which any credit shall be established shall be that country in respect to importation from which draw-back of the exported sugar or liquid sugar has been claimed. Sugar or liquid sugar entered into the continental United States under an applicable bond established pursuant to orders or regulations issued by the Secretary, for the express purpose of subsequently exporting the equiva-

lent quantity of sugar or liquid sugar as such, or in manufactured articles, shall not be charged against the applicable quota or proration for the country of origin (7 U. S. C. 1121 (a)).

(b) Exportation within the meaning of sections 309 and 313 of the Tariff Act of 1930 shall be considered to be exportation within the meaning of this section (7 U. S. C. 1121 (b)).

(c) The quota established for any domestic sugar-producing area may be filled only with sugar or liquid sugar produced from sugar beets or sugarcane grown in such area: *Provided, however,* That any sugar or liquid sugar admitted free of duty from the Virgin Islands under the Act of Congress, approved March 3, 1917 (39 Stat. 1133), may be admitted within the quota for the Virgin Islands (7 U. S. C. 1121 (c)).

INAPPLICABILITY OF QUOTA PROVISIONS

SEC. 212. The provisions of this title shall not apply to (1) the first 10 short tons, raw value, of sugar or liquid sugar imported from any foreign country, other than Cuba and the Republic of the Philippines, in any calendar year; (2) the first 10 short tons, raw value, of sugar or liquid sugar imported from any foreign country, other than Cuba and the Republic of the Philippines, in any calendar year for religious, sacramental, educational, or experimental purposes; (3) liquid sugar imported from any foreign country, other than Cuba and the Republic of the Philippines, in individual sealed containers of such capacity as the Secretary may determine, not in excess of $1\frac{1}{10}$ gallons each; or (4) any sugar or liquid sugar imported, brought into, or produced or manufactured in the United States for the distillation of alcohol, or for livestock feed, or for the production of livestock feed (7 U. S. C. 1122).

TITLE III—CONDITIONAL-PAYMENT PROVISIONS

CONDITIONS OF PAYMENT

SEC. 301. The Secretary is authorized to make payments on the following conditions with respect to sugar or liquid sugar commercially recoverable from the sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar:

(a) That no child under the age of 14 years shall have been employed or permitted to work on the farm, whether for gain to such child or any other person, in the production, cultivation, or harvesting of a crop of sugar beets or sugarcane with respect to which application for payment is made, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed; and that no child between the ages of 14 and 16 years shall have been employed or permitted to do such work, whether for gain to such child or any other person, for a longer period than 8 hours in any 1 day, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed. The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of \$10 for each child for each day, or a portion

of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection (7 U. S. C. 1131 (a)).

(b) That there shall not have been marketed (or processed) an amount (in terms of planted acreage, weight, or recoverable sugar content) of sugar beets or sugarcane grown on the farm and used for the production of sugar or liquid sugar to be marketed in, or so as to compete with or otherwise directly affect interstate or foreign commerce, in excess of the proportionate share for the farm, as determined by the Secretary pursuant to the provisions of section 302, of the total quantity of sugar beets or sugarcane required to be processed to enable the area in which such sugar beets or sugarcane are produced to meet the quota (and provide a normal carry-over inventory) as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed (7 U. S. C. 1131 (b)).

(c) (1) That all persons employed on the farm in the production, cultivation, or harvesting of sugar beets or sugarcane with respect to which an application for payment is made shall have been paid in full for all such work, and shall have been paid wages therefor at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing; and in making such determinations the Secretary shall take into consideration the standards therefor formerly established by him under the Agricultural Adjustment Act, as amended, and the differences in conditions among various producing areas: *Provided, however,* That a payment which would be payable except for the foregoing provisions of this subparagraph may be made, as the Secretary may determine, in such manner that the laborer will receive an amount, insofar as such payment will suffice, equal to the amount of the accrued unpaid wages for such work, and that the producer will receive the remainder, if any, of such payment.

(2) That the producer on the farm who is also, directly or indirectly a processor of sugar beets or sugarcane, as may be determined by the Secretary shall have paid, or contracted to pay under either purchase or toll agreements, for any sugar beets or sugarcane grown by other producers and processed by him at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing (7 U. S. C. 1131 (c)).

ESTABLISHMENT OF PROPORTIONATE SHARES FOR FARMS

SEC. 302. (a) The amount of sugar or liquid sugar with respect to which payment may be made shall be the amount of sugar or liquid sugar commercially recoverable, as determined by the Secretary, from the sugar beets or sugarcane grown on the farm and marketed (or processed by the producer) not in excess of the proportionate share for the farm, as determined by the Secretary, of the quantity of sugar beets or sugarcane for the extraction of sugar or liquid sugar required to be processed to enable the producing area in which the crop of sugar beets or sugarcane is grown to meet the quota (and provide a normal carry-over inventory) estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid

sugar from such crop normally would be marketed (7 U. S. C. 1132 (a)).

(b) In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugar beets and sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interests of producers who are cash tenants, share tenants, adherent planters, or share croppers (7 U. S. C. 1132 (b)).

(c) Payments shall be effective with respect to sugar or liquid sugar commercially recoverable from sugar beets and sugarcane grown on a farm commencing with the crop year 1948 (7 U. S. C. 1132 (c)).

ACREAGE ABANDONMENT AND CROP DEFICIENCY PAYMENTS

SEC. 303. In addition to the amount of sugar or liquid sugar with respect to which payments are authorized under subsection (a) of section 302, the Secretary is also authorized to make payments, on the conditions provided in section 301, with respect to bona fide abandonment of planted acreage and crop deficiencies of harvested acreage, resulting from drought, flood, storm, freeze, disease, or insects, which cause such damage to all or a substantial part of the crop of sugar beets or sugarcane in the same factory district (as established by the Secretary), county, parish, municipality, or local producing area, as determined in accordance with regulations issued by the Secretary, on the following quantities of sugar or liquid sugar: (1) With respect to such bona fide abandonment of each planted acre of sugar beets or sugarcane, one-third of the normal yield of commercially recoverable sugar or liquid sugar per acre for the farm, as determined by the Secretary; and (2) with respect to such crop deficiencies of harvested acreage of sugar beets or sugarcane, the excess of 80 per centum of the normal yield of commercially recoverable sugar or liquid sugar for such acreage for the farm, as determined by the Secretary, over the actual yield (7 U. S. C. 1133).

COMPUTATION OF PAYMENTS AND PERSONS ELIGIBLE FOR PAYMENTS

SEC. 304. (a) The amount of the base rate of payment shall be 80 cents per hundred pounds of sugar or liquid sugar, raw value (7 U. S. C. 1134 (a)).

(b) All payments shall be calculated with respect to a farm which, for the purposes of this Act, shall be a farming unit as determined in accordance with regulations issued by the Secretary, and in making such determinations, the Secretary shall take into consideration the use of common work stock, equipment, labor, management, and other pertinent factors (7 U. S. C. 1134 (b)).

(c) The total payment with respect to a farm shall be the product of the base rate specified in subsection (a) of this section multiplied by the amount of sugar and liquid sugar, raw value, with respect to which payment is to be made, except that reduction shall be made from such total payment in accordance with the following scale of reductions:

That portion of the quantity of sugar and liquid sugar which is included within the following intervals of short tons, raw value:

	<i>Reduction in the base rate of payment per hundred- weight of such portion</i>
350 to 700.....	\$0.05
700 to 1,000.....	.10
1,000 to 1,500.....	.20
1,500 to 3,000.....	.25
3,000 to 6,000.....	.275
6,000 to 12,000.....	.30
12,000 to 30,000.....	.325
More than 30,000.....	.50

(7 U. S. C. 1134 (c)).

(d) Application for payment shall be made by, and payments shall be made to, the producer or, in the event of his death, disappearance, or incompetency, his legal representative, or heirs: *Provided, however*, That all producers on the farm shall signify in the application for payment the percentage of the total payment with respect to the farm to be made to each producer: *And provided further*, That payments may be made, (1) in the event of the death, disappearance, or incompetency of a producer, to such beneficiary as the producer may designate in the application for payment; (2) to one producer of a group of two or more producers, provided all producers on the farm designate such producer in the application for payment as sole recipient for their benefit of the payment with respect to the farm; or (3) to a person who is not a producer, provided such person controls the land included within the farm with respect to which the application for payment is made and is designated by the sole producer (or all producers) on the farm, as sole recipient for his or their benefit, of the payment with respect to the farm (7 U. S. C. 1134 (d)).

USE OF LOCAL COMMITTEES AND OTHER AGENCIES

SEC. 305. In carrying out the provisions of titles II and III of this Act, the Secretary is authorized to utilize local committees of sugar beet or sugarcane producers, State and county agricultural conservation committees, or the Agricultural Extension Service and other agencies, and the Secretary may prescribe that all or a part of the expenses of such committees may be deducted from the payments herein authorized (7 U. S. C. 1135).

FINALITY OF DETERMINATIONS

SEC. 306. The facts constituting the basis for any payment, or the amount thereof authorized to be made under this title, officially determined in conformity with rules or regulations prescribed by the Secretary, shall be reviewable only by the Secretary, and his determinations with respect thereto shall be final and conclusive (7 U. S. C. 1136).

APPLICABILITY OF TITLE III

SEC. 307. This title shall apply to the continental United States, the Territory of Hawaii, Puerto Rico, and the Virgin Islands (7 U. S. C. 1137).

TITLE IV—GENERAL PROVISIONS

EXPENDITURES BY SECRETARY

SEC. 401. For the purposes of this Act, the Secretary may make such expenditures as he deems necessary to carry out the provisions of this Act, including personal services and rents in the District of Columbia and elsewhere (7 U. S. C. 1151).

APPROPRIATIONS AND AVAILABILITY OF FUNDS

SEC. 402. (a) There is hereby authorized to be appropriated for each fiscal year for the purposes and administration of this Act the funds necessary to make the payments provided for in title III of this Act and such other amounts as the Congress determines to be necessary for such fiscal year to carry out the other provisions of the Act (7 U. S. C. 1152 (a)).

(b) All funds available for carrying out this Act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal Government as the Secretary may request to cooperate or assist in carrying out the provisions of this Act (7 U. S. C. 1152 (b)).

(c) The funds made available for the purpose of enabling the Secretary to carry into effect the provisions of the Sugar Act of 1937, as amended, during the fiscal year 1948 are also hereby made available to the Secretary for purposes of administration of the provisions of this Act during the fiscal year 1948 (7 U. S. C. 1152 (c)).

REGULATIONS AND DETERMINATIONS

SEC. 403. (a) The Secretary is authorized to make such orders or regulations, which shall have the force and effect of law, as may be necessary to carry out the powers vested in him by this Act. Any person knowingly violating any order or regulation of the Secretary issued pursuant to this Act shall, upon conviction, be punished by a fine of not more than \$100 for each such violation (7 U. S. C. 1153 (a)).

(b) Each determination issued by the Secretary in connection with quotas and deficits under title II or payments under title III of this Act shall be promptly published in the Federal Register and shall be accompanied by a statement of the bases and considerations upon which such determination was made (7 U. S. C. 1153 (b)).

JURISDICTION OF COURTS

SEC. 404. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating, the provisions of this Act or of any order or regulation made or issued pursuant to this Act. If and when the Secretary shall so request, it shall be the duty of the several district attorneys of the United States, in their respective districts, to institute proceedings to enforce the remedies and to collect the penalties and forfeitures provided for in this Act. The remedies provided for in this Act shall be in addition to, and not exclusive of, any of the remedies or penalties existing at law or in equity (7 U. S. C. 1154).

CIVIL PENALTIES

SEC. 405. Any person who knowingly violates, or attempts to violate, or who knowingly participates or aids in the violation of, any of the provisions of section 209, or any person who brings or imports into the continental United States direct-consumption sugar after the quantities specified in section 207 have been filled, shall forfeit to the United States the sum equal to three times the market value, at the time of the commission of any such act, (a) of that quantity of sugar or liquid sugar by which any quota, proration, or allotment is exceeded, or (b) of that quantity brought or imported into the continental United States after the quantities specified in section 207 have been filled, which forfeiture shall be recoverable in a civil suit brought in the name of the United States (7 U. S. C. 1155).

FURNISHING INFORMATION TO SECRETARY

SEC. 406. All persons engaged in the manufacturing, marketing, or transportation or industrial use of sugar or liquid sugar, and having information which the Secretary deems necessary to enable him to administer the provisions of this Act, shall, upon the request of the Secretary, furnish him with such information. Any person willfully failing or refusing to furnish such information or furnishing willfully any false information, shall upon conviction be subject to a penalty of not more than \$1,000 for each such violation (7 U. S. C. 1156).

SUGAR INVESTMENTS BY OFFICIALS PROHIBITED

SEC. 407. No person shall, while acting in any official capacity in the administration of this Act, invest or speculate in sugar or liquid sugar, contracts relating thereto, or the stock or membership interests of any association or corporation engaged in the production or manufacturing of sugar or liquid sugar. Any person violating this section shall upon conviction thereof be fined not more than \$10,000 or imprisoned not more than 2 years, or both (7 U. S. C. 1157).

SUSPENSION OF QUOTAS

SEC. 408. Whenever pursuant to the provisions of this Act the President finds and proclaims that a national economic or other emergency exists with respect to sugar or liquid sugar, he shall by proclamation suspend the operation, except as provided in section 207 of this Act, of all the provisions of title II above, and, thereafter, the operation of such title shall continue in suspense until the President finds and proclaims that the facts which occasioned such suspension no longer exist. The Secretary shall make such investigations and reports thereon to the President as may be necessary to aid him in carrying out the provisions of this section (7 U. S. C. 1158).

SURVEYS AND INVESTIGATIONS

SEC. 409. Whenever the Secretary determines that such action is necessary to effectuate the purposes of this Act, he is authorized, if first requested by persons constituting or representing a substantial proportion of the persons affected in any one of the five domestic sugar-producing areas, to make for such area surveys and investigations to the extent he deems necessary, including the holding of public hear-

ings, and to make recommendations with respect to (a) the terms and conditions of contracts between the producers and processors of sugar beets and sugarcane in such area and (b) the terms and conditions of contracts between laborers and producers of sugar beets and sugarcane in such area. In carrying out the provisions of this section, information shall not be made public with respect to the individual operations of any processor, producer, or laborer (7 U. S. C. 1159).

SEC. 410. The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting the methods of accomplishing most effectively the purposes of this Act and for the benefit of agriculture generally in any area. Notwithstanding any provision of existing law, the Secretary is authorized to make public such information as he deems necessary to carry out the provisions of this Act (7 U. S. C. 1160).

TERMINATION OF ACT

SEC. 411. The powers vested in the Secretary under this Act shall terminate on December 31, 1956, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year 1956 and previous crop years (7 U. S. C. 1101, Note).

EFFECTIVE DATE

SEC. 412. The provisions of this Act, except where an earlier effective date is provided for herein, shall become effective January 1, 1948. As provided in section 513 of the Sugar Act of 1937, the powers vested in the Secretary under that Act shall terminate on December 31, 1947, except that the Secretary shall have power to make payments under title III of that Act under programs thereunder applicable to the crop year 1947 and previous crop years (7 U. S. C. 1101, Note).

EXCISE TAXES WITH RESPECT TO SUGAR*

CHAPTER 32—SUGAR

SUBCHAPTER A—MANUFACTURE

SEC. 3490. TAX.

(a) **RATE.**—Upon manufactured sugar manufactured in the United States, there shall be levied, collected and paid a tax, to be paid by the manufacturer at the following rates:

(1) On all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and for each additional sugar degree shown by the polariscope test, 0.00875 cent per pound additional, and fractions of a degree in proportion;

(2) On all manufactured sugar testing by the polariscope less than 92 sugar degrees, 0.5144 cent per pound of the total sugars therein (26 U. S. C. 3490 (a)).

(b) **EXEMPTION.**—No tax shall be required to be paid upon the manufacture of manufactured sugar by, or for, the producer of the sugar beets or sugarcane from which such manufactured sugar

*The tax provisions are taken from chapter 32 of the Internal Revenue Code.

was derived, for consumption by the producer's own family, employees, or household (26 U. S. C. 3490 (b)).

SEC. 3491. RETURNS AND PAYMENT OF TAX.

(a) **RETURNS.**—The manufacturer shall file on the last day of each month a return and pay the tax with respect to manufactured sugar, (1) which has been sold, or used in the production of other articles, by the manufacturer during the preceding month (if the tax has not already been paid), and (2) which has not been so sold or used within 12 months ending during the preceding calendar month, after it was manufactured (if the tax has not already been paid).

For the purpose of determining whether sugar has been sold or used within 12 months after it was manufactured sugar shall be considered to have been sold or used in the order in which it was manufactured (26 U. S. C. 3491 (a)).

(b) **PAYMENT OF TAX.**—Except as otherwise provided, the taxes imposed by this chapter shall be collected by the Bureau of Internal Revenue under the direction of the Secretary. Such taxes shall be paid into the Treasury of the United States (26 U. S. C. 3491 (b)).

(c) **PLACE FOR FILING RETURN AND PAYMENT OF TAX.**—Any person required, pursuant to the provisions of this section and section 3492, to file a return may be required to file such return with and pay the tax shown to be due thereon to the collector for the district in which the manufacturing was done or the liability incurred (26 U. S. C. 3491 (c)).

SEC. 3492. PERSONS CLASSED AS MANUFACTURERS.

Any person who acquires any sugar which is to be manufactured into manufactured sugar but who, without further refining or otherwise improving it in quality, sells such sugar as manufactured sugar or uses such sugar as manufactured sugar in the production of other articles for sale shall be considered for the purposes of section 3490 and 3491 the manufacturer of manufactured sugar and, as such, liable for the tax under section 3490 with respect thereto (26 U. S. C. 3492).

SEC. 3493. EXPORTATION.

(a) **REFUND OF TAX PAID.**—Upon the exportation from the United States to a foreign country, or the shipment from the United States to any possession of the United States except Puerto Rico, of any manufactured sugar, or any article manufactured wholly or partly from manufactured sugar, with respect to which tax under the provisions of section 3490 has been paid, the amount of such tax shall be paid by the Commissioner of Internal Revenue to the consignor named in the bill of lading under which the article was exported or shipped to a possession, or to the shipper, or to the manufacturer of the manufactured sugar or of the articles exported, if the consignor waives any claim thereto in favor of such shipper or manufacturer: *Provided*, That no such payment shall be allowed with respect to any manufactured sugar, or article, upon which, through substitution or otherwise, a drawback of any tax paid under section 3500 has been or is to be claimed under any provisions of law made applicable by section 3501 (26 U. S. C. 3493 (a)).

(b) **PERIOD FOR FILING REFUND CLAIM.**—No payment shall be allowed under this section unless within 2 years after the right to such payment has accrued a claim therefor is filed by the person entitled thereto (26 U. S. C. 3493 (b)).

SEC. 3494. USE AS LIVESTOCK FEED OR FOR DISTILLATION OF ALCOHOL.

(a) **REFUND OF TAX PAID.**—Upon the use of any manufactured sugar, or article manufactured therefrom, as livestock feed, or in the production of livestock feed, or for the distillation of alcohol, there shall be paid by the Commissioner to the person so using such manufactured sugar, or article manufactured therefrom, the amount of any tax paid under section 3490 with respect thereto (26 U. S. C. 3494 (a)).

(b) **PERIOD FOR FILING REFUND CLAIM.**—No payment shall be allowed under this section unless within 1 year after the right to such payment has accrued a claim therefor is filed by the person entitled thereto (26 U. S. C. 3494 (b)).

SEC. 3495. ADDITION TO TAX IN CASE OF NONPAYMENT.

If the tax is not paid when due there shall be added as part of the tax interest at 6 per centum per annum from the date the tax became due until the date of payment (26 U. S. C. 3495).

SEC. 3496. OTHER LAWS APPLICABLE.

All provisions of law, including penalties, applicable with respect to the taxes imposed under subchapter A of chapter 29, shall, insofar as applicable and not inconsistent with the provisions of this chapter, be applicable in respect to the tax imposed by section 3490 (26 U. S. C. 3496).

SEC. 3497. REGULATIONS.

The Commissioner, with the approval of the Secretary, shall prescribe such rules and regulations as may be necessary to carry out all provisions of this chapter, except Subchapter B (26 U. S. C. 3497).

SEC. 3498. EFFECTIVE DATE OF SUBCHAPTER.

This subchapter shall take effect on the first day of that calendar month occurring next after the enactment of this title (26 U. S. C. 3498).

SUBCHAPTER B—IMPORTATION**SEC. 3500. RATE OF TAX.**

In addition to any other tax or duty imposed by law, there shall be imposed, under such regulations as the Commissioner of Customs shall prescribe, with the approval of the Secretary, a tax upon articles imported or brought into the United States as follows:

(1) On all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and for each additional sugar degree shown by the polariscopic test, 0.00875 cent per pound additional, and fractions of a degree in proportion;

(2) On all manufactured sugar testing by the polariscope less than 92 sugar degrees 0.5144 cent per pound of the total sugars therein;

(3) On all articles composed in chief value of manufactured sugar 0.5144 cent per pound of the total sugars therein (26 U. S. C. 3500).

SEC. 3501. ASSESSMENT AND PAYMENT.

Such tax shall be levied, assessed, collected, and paid in the same manner as a duty imposed by the Tariff Act of 1930, 46 Stat. 590, 672 (U. S. C., Title 19, ch. 4) and shall be treated for the purposes of all provisions of law relating to the customs revenue as a duty imposed by such Act, except that for the purposes of sections 336 and 350 of such Act (the so-called flexible-tariff and trade-agreements

provisions) such tax shall not be considered a duty or import restriction, and except that no preference with respect to such tax shall be accorded any articles imported or brought into the United States (26 U. S. C. 3501).

SUBCHAPTER C—GENERAL PROVISIONS

SEC. 3506. PENALTY FOR OFFICIALS INVESTING OR SPECULATING IN SUGAR.

No person shall, while acting in any official capacity in the administration of this chapter, invest or speculate in sugar or liquid sugar, contracts relating thereto, or the stock or membership interests of any association or corporation engaged in the production or manufacturing of sugar or liquid sugar. Any person violating this section shall upon conviction thereof be fined not more than \$10,000 or imprisoned not more than 2 years, or both (26 U. S. C. 3506).

SEC. 3507. DEFINITIONS.

For the purposes of this chapter—

(a) **PERSON.**—The term “person” means an individual, partnership, corporation, or association (26 U. S. C. 3507 (a)).

(b) **MANUFACTURED SUGAR.**—The term “manufactured sugar” means any sugar derived from sugar beets or sugarcane, which is not to be, and which shall not be, further refined or otherwise improved in quality; except sugar in liquid form which contains non-sugar solids (excluding any foreign substance that may have been added or developed in the product) equal to more than 6 per centum of the total soluble solids, and except also sirup of cane juice produced from sugarcane grown in continental United States.

The grades or types of sugar within the meaning of this definition shall include, but shall not be limited to, granulated sugar, lump sugar, cube sugar, powdered sugar, sugar in the form of blocks, cones, or molded shapes, confectioners’ sugar, washed sugar, centrifugal sugar, clarified sugar, turbinado sugar, plantation white sugar, moscovado sugar, refiners’ soft sugar, invert sugar mush, raw sugar, sirups, molasses, and sugar mixtures (26 U. S. C. 3507 (b)).

(c) **TOTAL SUGARS.**—The term “total sugars” means the total amount of the sucrose (Clerget) and of the reducing or invert sugars. The total sugars contained in any grade or type of manufactured sugar shall be ascertained in the manner prescribed in paragraphs 758, 759, 762, and 763 of the United States Customs Regulations (1931 edition) (26 U. S. C. 3507 (c)).

(d) **UNITED STATES.**—The term “United States” shall be deemed to include the States, the Territories of Hawaii and Alaska, the District of Columbia, and Puerto Rico (26 U. S. C. 3507 (d)).

SEC. 3508. TERMINATION OF TAXES.

No tax shall be imposed under this chapter on the manufacture, use, or importation of sugar or articles composed in chief value of sugar after June 30, 1957. Notwithstanding the provisions of section 3490 or 3500, no tax shall be imposed under this chapter with respect to unsold sugar held by a manufacturer on June 30, 1957, or with respect to sugar or articles composed in chief value of sugar held in customs custody or control on such date.

With respect to any sugar or articles composed in chief value of sugar upon which tax imposed under section 3500 has been paid and

which, on June 30, 1957, are held by the importer and intended for sale or other disposition, there shall be refunded (without interest) to such importer, subject to such regulations as may be prescribed by the Commissioner of Customs with the approval of the Secretary, an amount equal to the tax paid with respect to such sugar or articles composed in chief value of sugar (26 U. S. C. 3508).

PRICE SUPPORT

EXPLANATORY NOTE

Price support directly to producers was first made available in 1933 by loans to cotton and corn producers by the Commodity Credit Corporation, which was incorporated on October 17, 1933, under the laws of Delaware in accordance with Executive Order No. 6340. In the Agricultural Adjustment Act of 1938 (52 Stat. 31), the Congress enacted the first comprehensive legislation dealing with price support. Additional legislation thereafter included the act of April 3, 1941 (55 Stat. 90), the act of May 26, 1941 (55 Stat. 203), the act of July 1, 1941 (the so-called "Steagall Amendment," 55 Stat. 498), the Stabilization Act of 1942 (56 Stat. 767), the act of July 28, 1945 (59 Stat. 506), and the act of August 5, 1947 (61 Stat. 769). Much of this legislation expired with the termination of the war-time emergency and was succeeded by the Agricultural Act of 1948 (62 Stat. 1247). The Agricultural Act of 1949 (7 U. S. C. § 1421) superseded or repealed prior legislation, effective for the 1950 and subsequent crop years. Throughout the periods discussed, the Commodity Credit Corporation has been the chief instrumentality in making price support available to producers. In 1948 a Federal Charter (15 U. S. C. § 714) for the Commodity Credit Corporation was granted and replaced its Delaware charter.¹ Another means of effecting price support is through operations under section 32 of the act of August 24, 1935, as amended (7 U. S. C. § 612c).

¹ See p. 127 for a legal history of the Commodity Credit Corporation.

PART V

PRICE SUPPORT

AGRICULTURAL ACT OF 1949, AS AMENDED

AN ACT

To stabilize prices of agricultural commodities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Act of 1949."

TITLE I—BASIC AGRICULTURAL COMMODITIES

SEC. 101. The Secretary of Agriculture (hereinafter called the "Secretary") is authorized and directed to make available through loans, purchases, or other operations, price support to cooperators for any crop of any basic agricultural commodity, if producers have not disapproved marketing quotas for such crop, at a level not in excess of 90 per centum of the parity price of the commodity nor less than the level provided in subsections (a), (b), and (c) as follows:

(a) For tobacco (except as otherwise provided herein), corn, wheat, and rice, if the supply percentage as of the beginning of the marketing year is:

*The level of support shall
be not less than the
following percentage of
the parity price:*

Not more than 102-----	90
More than 102 but not more than 104-----	89
More than 104 but not more than 106-----	88
More than 106 but not more than 108-----	87
More than 108 but not more than 110-----	86
More than 110 but not more than 112-----	85
More than 112 but not more than 114-----	84
More than 114 but not more than 116-----	83
More than 116 but not more than 118-----	82
More than 118 but not more than 120-----	81
More than 120 but not more than 122-----	80
More than 122 but not more than 124-----	79
More than 124 but not more than 126-----	78
More than 126 but not more than 128-----	77
More than 128 but not more than 130-----	76
More than 130-----	75

(7 U. S. C. 1441 (a)).

(b) For cotton and peanuts, if the supply percentage as of the beginning of the marketing year is:

The level of support shall be not less than the following percentage of the parity price:

Not more than 108-----	90
More than 108 but not more than 110-----	89
More than 110 but not more than 112-----	88
More than 112 but not more than 114-----	87
More than 114 but not more than 116-----	86
More than 116 but not more than 118-----	85
More than 118 but not more than 120-----	84
More than 120 but not more than 122-----	83
More than 122 but not more than 124-----	82
More than 124 but not more than 125-----	81
More than 125 but not more than 126-----	80
More than 126 but not more than 127-----	79
More than 127 but not more than 128-----	78
More than 128 but not more than 129-----	77
More than 129 but not more than 130-----	76
More than 130-----	75

(7 U. S. C. 1441 (b)).

(c) For tobacco, if marketing quotas are in effect, the level of support shall be 90 per centum of the parity price (7 U. S. C. 1441 (c)).

(d) Notwithstanding the foregoing provisions of this section—

(1) if producers have not disapproved marketing quotas for such crop, the level of support to cooperators shall be 90 per centum of the parity price for the 1950 crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect;

(2) if producers have not disapproved marketing quotas for such crop, the level of support to cooperators shall be not less than 80 per centum of the parity price for the 1951 crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect;

(3) the level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 per centum of the parity price of such commodity; and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;

(4) the level of price support for corn to cooperators outside the commercial corn-producing area shall be 75 per centum of the level of price support to cooperators in the commercial corn-producing area;

(5) price support may be made available to noncooperators at such levels, not in excess of the level of price support to cooperators, as the Secretary determines will facilitate the effective operation of the program.

(6) the level of support of cooperators shall be 90 per centum of the parity price for the 1953 and 1954 crops of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas (7 U. S. C. 1441 (d), Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 759).

(e) Notwithstanding any of the provisions of this Act, section 2 of the Act of July 28, 1945 (59 Stat. 506) shall continue in effect (7 U. S. C. 1441 (e)).

[LOANS ON TOBACCO—Act of July 28, 1945.—Sec. 2. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized and directed, beginning with the 1945 crop, to make available upon any crop of fire-cured, dark air-cured and Virginia sun-cured tobacco, if producers have not disapproved marketing quotas for such tobacco for the marketing year beginning with the calendar year in which such crop is harvested, loans or other price support at, in the case of fire-cured tobacco, 75 per centum of the loan rate for burley tobacco for the corresponding crop and, in the case of dark air-cured and Virginia sun-cured tobacco, at 66⅔ per centum of such burley tobacco loan rate (Public Law 163, 79th Cong., 7 U. S. C. 1312 Note).]

(f) The provisions of this Act relating to price support for cotton shall apply severally to (1) American upland cotton and (2) extra long staple cotton described in subsection (a) and ginned as required by subsection (e) of section 347 of the Agricultural Adjustment Act of 1938, as amended, except that the level of price support which shall be made available to cooperators for extra long staple cotton of the 1953 crop if producers have not disapproved marketing quotas therefor shall be at a level bearing the same relationship to the level of price support determined for American upland cotton as the average farm price for extra long staple cotton during the period 1936–42, inclusive, bore to such price for American upland cotton. Disapproval by producers of the quota proclaimed under such section 347 shall place into effect the provisions of section 101 (d) (3) of this Act with respect to the extra long staple cotton described in subsection (a) of such section 347. Nothing contained herein shall affect the authority of the Secretary under section 402 to make support available for extra long staple cotton in accordance with such section 402 (Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 759).

[DEFENSE PRODUCTION ACT OF 1950.—Sec. 402 (d) (3) * * * Nothing contained in this Act shall be construed to modify, repeal, supersede, or affect the provisions of either (1) the Agricultural Act of 1949, except that under any price support program announced while this title is in effect the level of support to cooperators shall be 90 per centum of the parity price, or such higher level as may be established under section 402 of that Act, for any crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas * * * (50 U. S. C. app. 2102, Public Law 429, 82d Cong., approved June 30, 1952, 66 Stat. 298).]

TITLE II—DESIGNATED NONBASIC AGRICULTURAL COMMODITIES

SEC. 201. The Secretary is authorized and directed to make available (without regard to the provisions of title III) price support to producers for wool (including mohair), tung nuts, honey, Irish potatoes, milk, butterfat, and the products of milk and butterfat as follows:

(a) The price of wool (including mohair) shall be supported through loans, purchases, or other operations at such level, not in excess of 90 per centum nor less than 60 per centum of the parity price therefor, as the Secretary determines necessary in order to encourage

an annual production of approximately 360,000,000 pounds of shorn wool;

(b) The price of tung nuts, honey, and early, intermediate, and late Irish potatoes, respectively, shall be supported through loans, purchases, or other operations at a level not in excess of 90 per centum nor less than 60 per centum of the parity price therefor;

(c) The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 per centum nor less than 75 per centum of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, the products of milk and butterfat (7 U. S. C. 1446).

[PUBLIC LAW 471, Eighty-first Congress * * * Sec. 5. For the crop year of 1951 and thereafter no price support shall be made available for any Irish potatoes unless marketing quotas are in effect with respect to such potatoes (7 U. S. C. 1450).]

TITLE III—OTHER NONBASIC AGRICULTURAL COMMODITIES

SEC. 301. The Secretary is authorized to make available through loans, purchases, or other operations price support to producers for any nonbasic agricultural commodity not designated in title II at a level not in excess of 90 per centum of the parity price for the commodity (7 U. S. C. 1447).

SEC. 302. Without restricting price support to those commodities for which a marketing quota or marketing agreement or order program is in effect, price support shall, insofar as feasible, be made available to producers of any storable nonbasic agricultural commodity for which such a program is in effect and who are complying with such program. The level of such support shall not be in excess of 90 per centum of the parity price of such commodity nor less than the level provided in the following table:

If the supply percentage as of the beginning of the marketing year is:

The level of support shall be not less than the following percentage of the parity price:

Not more than 102.....	90
More than 102 but not more than 104.....	89
More than 104 but not more than 106.....	88
More than 106 but not more than 108.....	87
More than 108 but not more than 110.....	86
More than 110 but not more than 112.....	85
More than 112 but not more than 114.....	84
More than 114 but not more than 116.....	83
More than 116 but not more than 118.....	82
More than 118 but not more than 120.....	81
More than 120 but not more than 122.....	80
More than 122 but not more than 124.....	79
More than 124 but not more than 126.....	78
More than 126 but not more than 128.....	77
More than 128 but not more than 130.....	76
More than 130.....	75

Provided, That the level of price support may be less than the minimum level provided in the foregoing table if the Secretary, after examination of the availability of funds for mandatory price support

programs and consideration of the other factors specified in section 401 (b), determines that such lower level is desirable and proper (7 U. S. C. 1448).

SEC. 303. In determining the level of price support for any nonbasic agricultural commodity under this title, particular consideration shall be given to the levels at which the prices of competing agricultural commodities are being supported (7 U. S. C. 1449).

TITLE IV—MISCELLANEOUS

SUPPORT THROUGH CCC

SEC. 401. (a) The Secretary shall provide the price support authorized or required herein through the Commodity Credit Corporation and other means available to him (7 U. S. C. 1421 (a)).

FACTORS

(b) Except as otherwise provided in this Act, the amounts, terms, and conditions of price support operations and the extent to which such operations are carried out, shall be determined or approved by the Secretary. The following factors shall be taken into consideration in determining, in the case of any commodity for which price support is discretionary, whether a price-support operation shall be undertaken and the level of such support and, in the case of any commodity for which price support is mandatory, the level of support in excess of the minimum level prescribed for such commodity: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported and, in the case of feed grains, the feed values of such grains in relation to corn, (3) the availability of funds, (4) the perishability of the commodity, (5) the importance of the commodity to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand (7 U. S. C. 1421 (b)).

COMPLIANCE WITH ACREAGE ALLOTMENTS, GOALS, AND MARKETING PRACTICES

(c) Compliance by the producer with acreage allotments, production goals and marketing practices (including marketing quotas when authorized by law), prescribed by the Secretary, may be required as a condition of eligibility for price support (7 U. S. C. 1421 (c)).

DETERMINATION OF SUPPORT LEVEL

(d) The level of price support for any commodity shall be determined upon the basis of its parity price as of the beginning of the marketing year or season in the case of any commodity marketed on a marketing year or season basis and as of January 1 in the case of any other commodity (7 U. S. C. 1421 (d)).

SUPPORT AT INCREASED LEVEL

SEC. 402. Notwithstanding any other provision of this Act, price support at a level in excess of the maximum level of price support otherwise prescribed in this Act may be made available for any agri-

cultural commodity if the Secretary determines, after a public hearing of which reasonable notice has been given, that price support at such increased level is necessary in order to prevent or alleviate a shortage in the supply of any agricultural commodity essential to the national welfare or in order to increase or maintain the production of any agricultural commodity in the interest of national security. The Secretary's determination and the record of the hearing shall be available to the public (7 U. S. C. 1422).

ADJUSTMENTS FOR GRADE, ETC.

SEC. 403. Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall, so far as practicable, be made in such manner that the average support price for such commodity will, on the basis of the anticipated incidence of such factors, be equal to the level of support determined as provided in this Act. Middling $\frac{7}{8}$ -inch cotton shall be the standard grade for purposes of parity and price support (7 U. S. C. 1423).

UTILIZATION OF SERVICES AND FACILITIES OF CCC

SEC. 404. The Secretary, in carrying out programs under section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract), and make advance payments to it (7 U. S. C. 1424).

NONRECOURSE LOANS

SEC. 405. No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this Act unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent the Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program (7 U. S. C. 1425).

ADVANCE ANNOUNCEMENT

SEC. 406. The Secretary shall, insofar as practicable, announce the level of price support for field crops in advance of the planting season and for other agricultural commodities in advance of the beginning of the marketing year or season (January 1 in the case of commodities not marketed on a marketing year or season basis), but the level of price support so announced shall not exceed the estimated maximum level of price support specified in this Act, based upon the latest information and statistics available to the Secretary when such level of price support is announced; and the level of price support so announced shall not be reduced if the maximum level of

price support when determined, is less than the level so announced (7 U. S. C. 1426).

RESTRICTIONS ON SALES BY CCC

SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities or storable nonbasic commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop. The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity at less than 5 per centum above the current support price for such commodity, plus reasonable carrying charges. The foregoing restrictions shall not apply to (A) sales for new or by-product uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is a danger of loss or waste through deterioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool; and (H) sales for other than primary uses (7 U. S. C. 1427).

DEFINITIONS

SEC. 408. For the purposes of this Act—

STORABLE COMMODITIES

(a) A commodity shall be considered storable upon determination by the Secretary that, in normal trade practice, it is stored for substantial periods of time and that it can be stored under the price-support program without excessive loss through deterioration or spoilage or without excessive cost for storage for such periods as will permit its disposition without substantial impairment of the effectiveness of the price-support program (7 U. S. C. 1428 (a)).

COOPERATOR

(b) A "cooperator" with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purpose of this subsection, a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment (7 U. S. C. 1428 (b)).

BASIC AGRICULTURAL COMMODITY

(c) A "basic agricultural commodity" shall mean corn, cotton, peanuts, rice, tobacco, and wheat, respectively (7 U. S. C. 1428 (c)).

NONBASIC AGRICULTURAL COMMODITY

(d) A "nonbasic agricultural commodity" shall mean any agricultural commodity other than a basic agricultural commodity (7 U. S. C. 1428 (d)).

SUPPLY PERCENTAGE

(e) The "supply percentage" as to any commodity shall be the percentage which the estimated total supply is of the normal supply as determined by the Secretary from the latest available statistics of the Department of Agriculture as of the beginning of the marketing year for the commodity (7 U. S. C. 1428 (e)).

TOTAL SUPPLY

(f) "Total supply" of any nonbasic agricultural commodity for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year (7 U. S. C. 1428 (f)).

CARRY-OVER

(g) "Carry-over" of any nonbasic agricultural commodity for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any part of the crop or production of such commodity which was produced in the United States during the calendar year then current. The carry-over of any such commodity may also include the quantity of such commodity in processed form on hand in the United States at the beginning of such marketing year, if the Secretary determines that the inclusion of such processed quantity of the commodity is necessary to effectuate the purposes of this Act (7 U. S. C. 1428 (g)).

NORMAL SUPPLY

(h) "Normal supply" of any nonbasic agricultural commodity for any marketing year shall be (1) the estimated domestic consumption of the commodity for the marketing year for which such normal supply is being determined, plus (2) the estimated exports of the commodity for such marketing year, plus (3) an allowance for carry-over. The allowance for carry-over shall be the average carry-over of the commodity for the five marketing years immediately preceding the marketing year in which such normal supply is determined, adjusted for surpluses or deficiencies caused by abnormal conditions, changes in marketing conditions, or the operation of any agricultural program. In determining normal supply, the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary (7 U. S. C. 1428 (h)).

MARKETING YEAR

(i) "Marketing year" for any nonbasic agricultural commodity means any period determined by the Secretary during which substantially all of a crop or production of such commodity is normally marketed by the producers thereof (7 U. S. C. 1428 (i)).

TERMS DEFINED IN AGRICULTURAL ADJUSTMENT ACT OF 1938

(j) Any term defined in the Agricultural Adjustment Act of 1938, shall have the same meaning when used in this Act (7 U. S. C. 1428 (j)).

SEC. 409. [This section contains amendments to the Agricultural Adjustment Act of 1938. These amendments are included in that act, as it appears in this compilation.]

SEC. 410. [This section contains an amendment to section 4 of the act of March 8, 1938 (15 U. S. C. 713a-4) relating to the borrowing power of the Commodity Credit Corporation.]

SEC. 411. [This section contains an amendment to section 32 of the act of August 24, 1935 (7 U. S. C. 612c). This act appears in part VII of this compilation.]

DETERMINATIONS BY SECRETARY

SEC. 412. Determinations made by the Secretary under this Act shall be final and conclusive: *Provided*, That the scope and nature of such determinations shall not be inconsistent with the provisions of the Commodity Credit Corporation Charter Act (7 U. S. C. 1429).

SECS. 413 to 415. [These sections contain provisions relating to the effective date of certain provisions of the Agricultural Act of 1949 and the Agricultural Act of 1948, as well as amendments to the Agricultural Act of 1948 and the Agricultural Adjustment Act of 1938. The amendments to the Agricultural Adjustment Act of 1938 are included in that act as it appears in this compilation.]

SEC. 416. In order to prevent the waste of food commodities acquired through price support operations which are found to be in danger of loss through deterioration or spoilage before they can be disposed of in normal domestic channels without impairment of the price support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized, upon application by the Munitions Board or any other Federal agency and on such terms and under such regulations as may be deemed in the public interest, to make such commodities available to any such agency for use in making payment for commodities not produced in the United States. Any such commodities which are not disposed of pursuant to the foregoing sentence may be made available by the Secretary and the Commodity Credit Corporation at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, as follows in the order of priority set forth: First, to school-lunch programs; and to the Bureau of Indian Affairs and Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States (7 U. S. C. 1431).

SEC. 417. [This section contains amendments to sections 34 and 41 of the Farm Credit Act of 1933, as amended, relating to financing storage construction (12 U. S. C. 1134j, 1134c).]

SECS. 418 and 419. [These sections contain amendments to the Agricultural Adjustment Act of 1938. These amendments are included in that act as it appears in this compilation.]

SEC. 420. Any price support program in effect on cottonseed or any of its products shall be extended to the same seed and products of the cottons defined under section 347 (a) of the Agricultural Adjustment Act of 1938, as amended (Public Law 585, 82d Cong., approved July 17, 1952, 66 Stat. 759).

COMMODITY CREDIT CORPORATION CHARTER ACT

AN ACT

To provide a Federal Charter for the Commodity Credit Corporation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commodity Credit Corporation Charter Act."

SEC. 2. CREATION AND PURPOSES.—For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general supervision and direction of the Secretary of Agriculture (hereinafter referred to as the "Secretary") (15 U. S. C. 714).

SEC. 3. OFFICES.—The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business (15 U. S. C. 714a).

SEC. 4. GENERAL POWERS.—The Corporation—

(a) Shall have succession in its corporate name (15 U. S. C. 714b (a)).

(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed (15 U. S. C. 714b (b)).

(c) May sue and be sued, but no attachment, injunction, garnishment or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction, without regard to the amount in controversy, of all suits brought by or against the Corporation: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit by or against the Corporation shall be allowed unless (1) it shall have been brought within 6 years after the right accrued on which suit is brought, or (2) in the event that the person bringing such suit shall have been under legal disability or beyond the seas at the time the right accrued, the suit shall have been brought within 3 years after the disability shall have ceased or within 6 years after the right accrued on which suit is brought, whichever period is longer. The defendant in any suit by or against the Corporation may plead, by way of set-off or counterclaim, any cause of action, whether arising out of the same transaction or not, which would otherwise be barred by such limitation if the claim upon which the defendant's cause of action is based had not been barred prior to the date that the plaintiff's cause of action arose: *Provided*, That the defendant shall not be awarded a judgment on any such

set-off or counterclaim for any amount in excess of the amount of the plaintiff's claim established in the suit. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this Act, the Federal Tort Claims Act (Public Law 601, 79th Cong.) shall be applicable to the Corporation. Any suit by or against the United States as the real party in interest based upon any claim by or against the Corporation shall be subject to the provisions of this subsection (c) to the same extent as though such suit were by or against the Corporation, except that (1) any such suit against the United States based upon any claim of the type enumerated in title 28, section 1491, of the United States Code, may be brought in the United States Court of Claims, and (2) no such suit against the United States may be brought in a district court unless such suit might, without regard to the provisions of this Act, be brought in such court (15 U. S. C. 714b (c)).

(d) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised (15 U. S. C. 714b (d)).

(e) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding (15 U. S. C. 714b (e)).

(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government (15 U. S. C. 714b (f)).

(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements (15 U. S. C. 714b (g)).

(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. The Corporation shall have power to acquire personal property necessary to the conduct of its business but shall not have power to acquire real property or any interest therein except that it may (a) rent or lease office space necessary for the conduct of its business and (b) acquire real property or any interest therein for the purpose of providing storage adequate to carry out effectively and efficiently any of the Corporation's programs, or of securing or discharging obligations owing to the Corporation, or of otherwise protecting the financial interests of the Corporation: *Provided*, That the authority contained in this subsection (h) shall not be utilized by the Corporation for the purpose of acquiring real property, or any interest therein, in order to provide storage facilities for any commodity unless the Corporation determines that existing privately owned storage facilities for such commodity in the area concerned are not adequate: *Provided further*, That no refrigerated cold storage facilities shall be constructed or purchased except with funds specifically provided by Congress for that purpose: *And provided further*, That nothing contained in this subsection (h)

shall limit the duty of the Corporation, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in the warehousing of commodities: *And provided further*, That to encourage the storage of grain on farms, where it can be stored at the lowest cost, the Corporation shall make loans to grain growers needing storage facilities when such growers shall apply to the Corporation for financing the construction or purchase of suitable storage, and these loans shall be deducted from the proceeds of price support loans or purchase agreements made between the Corporation and the growers. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized, upon terms and conditions prescribed or approved by the Secretary of Agriculture, to accept strategic and critical materials produced abroad in exchange for agricultural commodities acquired by the Corporation. Insofar as practicable, in effecting such exchange of goods, normal commercial trade channels shall be utilized and priority shall be given to commodities easily storable and those which serve as prime incentive goods to stimulate production of critical and strategic materials. The determination of the quantities and qualities of such materials which are desirable for stock piling and the determination of which materials are strategic and critical shall be made in the manner prescribed by section 2 of the Strategic and Critical Materials Stock Piling Act (60 Stat. 596). Strategic and critical materials acquired by Commodity Credit Corporation in exchange for agricultural commodities shall, to the extent approved by the Munitions Board of the Department of Defense, be transferred to the stock pile provided for by the Strategic and Critical Materials Stock Piling Act; and when transferred to the stock pile the Commodity Credit Corporation shall be reimbursed for the strategic and critical materials so transferred to the stock pile from the funds made available for the purpose of the Strategic and Critical Materials Stock Piling Act, in an amount equal to the fair market value, as determined by the Secretary of the Treasury, of the material transferred to the stock pile. Nothing contained herein shall limit the authority of the Commodity Credit Corporation to acquire, hold, or dispose of such quantity of strategic and critical materials as it deems advisable in carrying out its functions and protecting its assets (15 U. S. C. 714b (h)).

(i) May borrow money subject to any provision of law applicable to the Corporation: *Provided*, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$6,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs (15 U. S. C. 714b (i)).

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid (15 U. S. C. 714b (j)).

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers (15 U. S. C. 714b (k)).

(l) May make such loans and advances of its funds as are necessary in the conduct of its business (15 U. S. C. 714b (l)).

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture (15 U. S. C. 714b (m)).

SEC. 5. SPECIFIC POWERS.—In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 edition, Supp. V, 841), the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce (15 U. S. C. 714c).

SEC. 6. EXISTING STATUTES APPLICABLE TO THE CORPORATION.—The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the Act of January 31, 1935, as amended (15 U. S. C., 1940 edition, Supp. V, 713 (a)) (15 U. S. C. 714d).

SEC. 7. CAPITAL STOCK.—The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this Act. The Corporation shall pay interest to the United States Treasury on the

amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation (15 U. S. C. 714e).

SEC. 8. FUNDS.—The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it (15 U. S. C. 714f).

SEC. 9. DIRECTORS, ADVISORY BOARD: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the "Board"), subject to the general supervision and direction of the Secretary. The Secretary shall be an ex officio director and shall serve as Chairman of the Board. The Board shall consist of six members (in addition to the Secretary), who shall be appointed by the President by and with the advice and consent of the Senate. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at such rate not in excess of the maximum then payable under the [CLASSIFICATION ACT OF 1949], as may be fixed by the Secretary, except that any such member who holds another office or position under the Federal Government the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present (15 U. S. C. 714g (a)).

(b) In addition to the Board of Directors there shall be an advisory board reflecting broad agricultural and business experience in its membership and consisting of five members who shall be appointed by the President, and who shall serve at the pleasure of the President. Not more than three of such members shall belong to the same political party. The advisory board shall meet at the call of the Secretary, who shall require it to meet not less often than once each 90 days; shall survey the general policies of the Corporation, including its policies in connection with the purchase, storage, and sale of commodities, and the operation of lending and price-support programs; and shall advise the Secretary with respect thereto. Members of the advisory board shall receive for their services as members compensation of not to exceed \$50 per diem when actually engaged in the performance of their duties as such, together with their necessary traveling expenses while going to and coming from meetings (15 U. S. C. 714g (b)).

SEC. 10. PERSONNEL OF CORPORATION.—The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil service laws and the

[Classification Act of 1949], (5 U. S. C., 1946 edition, 661) (15 U. S. C. 714h).

SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL AGENCIES.—The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency (15 U. S. C. 714i).

SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE FACILITIES.—The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities (15 U. S. C. 714j).

SEC. 13. RECORDS; ANNUAL REPORT.—The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress (15 U. S. C. 714k).

SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—The provisions of section 1 of the Act of February 27, 1877, as amended (41 U. S. C., 1940 edition, 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation (15 U. S. C. 714l).

SEC. 15. CRIMES AND OFFENSES.—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or who ever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this Act, or under any other Act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than 5 years, or both (15 U. S. C. 714m (a)).

EMBEZZLEMENT, AND SO FORTH: FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value,

whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both (15 U. S. C. 714m (b)).

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both (15 U. S. C. 714m (c)).

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts (15 U. S. C. 714m (d)).

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205), shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation (15 U. S. C. 714m (e)).

USE OF WORDS "COMMODITY CREDIT CORPORATION"

(f) No individual, association, partnership, or corporation shall use the words "Commodity Credit Corporation" or any combination of the same, as the name or a part thereof under which he or it shall do or purport to do business. Every individual, partnership, association, or corporation violating this prohibition shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both (15 U. S. C. 714m (f)).

SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT CORPORATION, A DELAWARE CORPORATION.—The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation: *Provided*, That nothing in this Act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation (15 U. S. C. 714n).

SEC. 17. DISSOLUTION OF DELAWARE CORPORATION.—The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation (15 U. S. C. 714o).

SEC. 18. EFFECTIVE DATE.—This Act shall take effect as of midnight June 30, 1948 (15 U. S. C. 714 Note).

COMMODITY CREDIT CORPORATION**SUMMARY: LEGAL HISTORY OF THE CORPORATION**

The Commodity Credit Corporation was created on October 17, 1933, under the laws of the State of Delaware pursuant to Executive Order No. 6340, dated October 16, 1933, issued by virtue of the authority vested in the President by section 2 (a) of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 195). The act of January 31, 1935, directed that the Corporation should "continue until April 1, 1937, or such earlier date as may be fixed by the President by Executive Order, to be an agency of the United States." The Corporation was continued until June 30, 1948, as an agency of the United States by successive amendments to the act of January 31, 1935 (15 U. S. C. 713). By section 401 of the President's reorganization plan No. I (5 U. S. C. 133t, note), effective July 1, 1939, the Corporation was made a part of the United States Department of Agriculture, and its operations were placed under the supervision and control of the Secretary of Agriculture.

The Commodity Credit Corporation was originally capitalized for \$3,000,000 subscribed by the Secretary of Agriculture and the Governor of the Farm Credit Administration. The funds for such subscription were derived from the appropriation authorized by section 220 of the National Industrial Recovery Act (48 Stat. 210) and made by the Fourth Deficiency Act, fiscal year 1933 (48 Stat. 274). In accordance with the act of April 10, 1936 (15 U. S. C. 713a), the Corporation's capitalization was increased to \$100,000,000, the additional \$97,000,000 of the Corporation's stock being acquired by the Reconstruction Finance Corporation. By section 3 of the act of March 8, 1938 (15 U. S. C. 713a-3), the Secretary of Agriculture, the Governor of the Farm Credit Administration, and the Reconstruction Finance Corporation were directed to transfer the ownership of the stock of the Corporation to the United States. That section also provided that all rights of the United States arising out of the ownership of such stock should be exercised by the President of the United States or by such officers or agencies as he might designate. Executive Order No. 8219, issued August 7, 1939 (4 F. R. 3565), transferred to the Secretary of Agriculture the authority to exercise on behalf of the United States all rights arising out of the ownership of the stock of the Commodity Credit Corporation.

The Delaware charter of the Commodity Credit Corporation authorized the Corporation, among other things, to engage in buying, selling, lending, and other activities with respect to agricultural commodities, products thereof, and related facilities. These charter powers enabled the Corporation to engage in extensive operations for the purpose of increasing production, stabilizing prices, assuring adequate supplies, and facilitating the efficient distribution of agricultural commodities, foods, feeds and fibers. Many of the Corporation's operations were carried out in response to specific congressional mandates. In carrying out its operations, the Corporation was also subject to certain specific limitations placed upon it by the Congress.

Section 304 (b) of the Government Corporation Control Act (31 U. S. C. 869) required that wholly-owned Government corporations incorporated under State law be reincorporated by Act of the Congress in order to continue as agencies or instrumentalities of the United States after June 30, 1948. Accordingly, the Commodity

Credit Corporation was incorporated as a Federal corporation by the Commodity Credit Corporation Charter Act (Public Law 806, 80th Cong., 62 Stat. 1070), effective as of midnight, June 30, 1948. Pursuant to the Charter Act and by appropriate action of the boards of directors of the Delaware and the Federal corporations, all the assets, funds, property and records of the Delaware corporation were transferred to the Federal corporation, and the rights and duties and liabilities of the Delaware corporation were assumed by the Federal corporation.

The Charter Act also directed the dissolution of the Delaware corporation, and the Commodity Credit Corporation, a Delaware corporation, was dissolved under the laws of the State of Delaware, effective as of 9 a. m., September 15, 1948.

The Charter Act incorporated the Federal corporation for substantially the same purposes which the Delaware corporation had served, and made applicable to the Federal corporation the statutes which had been applicable to the Delaware corporation.

PART VI

APPLICABLE APPROPRIATIONS

FISCAL YEAR 1947

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For all expenses necessary to enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), and the provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1281-1407) (except the provisions of secs. 201, 202, 303, 381, and 383 and the provisions of titles IV and V), including personal services in the District of Columbia and elsewhere; not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; purchase of law-books, books of reference, periodicals; \$259,246,000, together with \$42,500,000 of the unobligated balances for the fiscal years 1944, 1945, and 1946 of the funds appropriated by section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (7 U. S. C. 612 (c)); in all, \$301,746,000, to remain available until December 31, 1947, for compliance with programs under said provisions of the Agricultural Adjustment Act of 1938, as amended, and the Act of February 29, 1936, as amended, pursuant to the provisions of the 1946 programs carried out during the period July 1, 1945, to December 31, 1946, inclusive, and, in addition, \$12,500,000 for making additional payments on an acreage and pound basis for harvesting seeds of grasses and legumes determined by the Secretary to be necessary for an adequate supply of such seeds; in all, \$314,246,000: *Provided*, That not to exceed \$27,942,888 of the total sum provided under this head shall be available during the current fiscal year, for salaries and other administrative expenses for carrying out such programs, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$7,886,480 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive order (No. 9069) of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State or county information employees, but this shall not preclude the answering of inquiries or supplying of information to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1947 programs (amounting to \$300,000,000, including

administration) of soil-building practices and soil- and water-conservation practices, under the Act of February 29, 1936, as amended, and programs under the Agricultural Adjustment Act of 1938, as amended; but the payments or grants under such program shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made, in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State agricultural conservation committee for the respective States: *Provided further*, That the Secretary, may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of the General Accounting Office in auditing payments under this item: *Provided further*, That such amount shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary in the 1946, 1947, and 1948 programs under said Act of February 29, 1936, as amended: *Provided, however*, That the Secretary of Agriculture is authorized and directed to make payments to farmers who complied with the terms and conditions of the agricultural conservation programs, formulated pursuant to sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, if the Secretary determines that, because of induction into the armed forces of the United States, such farmers failed to file, or were prevented from filing, applications for payment under any such program during the period the applicable appropriation for such program was available for obligation, such payments to be made out of the unobligated balance of the appropriation, "Conservation and use of agricultural land resources," in the Department of Agriculture Appropriation Act, 1946: *Provided further*, That an application for payment on the prescribed form is filed by any such farmer (or the person entitled to payment in case of death, disappearance, or incompetency of the farmer under regulations issued pursuant to section 385 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., 1940 edition, 1385)) within 1 year from the date of his discharge from the armed forces, or by December 31, 1946, whichever is later: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of section 6 of the Act of July 11, 1919 (18 U. S. C. 201), to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (U. S. Dept. of Agriculture Appropriation Act, 1947, 60 Stat. 288).

SUGAR ACT

To enable the Secretary to carry into effect the provisions, other than those specifically relating to the Philippine Islands, of the Sugar Act of 1937, approved September 1, 1937, as amended (7 U. S. C. 1100-1183), including the employment of persons and means, in the District of Columbia and elsewhere, as authorized by said Act, \$53,500,000, to remain available until June 30, 1948 (Department of Agriculture Appropriation Act, 1947, 60 Stat. 289).

EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL
COMMODITIES

To enable the Secretary to further carry out the provisions of section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (7 U. S. C. 612 (c)), and subject to all provisions of law relating to the expenditure of funds appropriated by such section 32, there is hereby reappropriated for the fiscal year 1947 the unobligated balances of the funds made available for the purposes of such section 32 for the fiscal years 1944, 1945, and 1946, less \$42,500,000, which is appropriated herein for "Conservation and use of agricultural land resources." Such sums shall be in addition to, and not in substitution for, other appropriations made by or for the purposes of such section 32: *Provided*, That not exceeding \$75,000,000 of the funds appropriated by and pursuant to such section 32 may also be used during the fiscal year 1947, without regard to the 25 per centum limitation contained in said section 32, to carry out the purposes and provisions of the National School Lunch Act, approved June 4, 1946 (Public Law 396), such amount to be exclusive of funds expended in accordance with the last sentence of section 9 of the National School Lunch Act (Department of Agriculture Appropriation Act, 1947, 60 Stat. 289).

FEDERAL CROP INSURANCE CORPORATION

Operating expenses: For operating and administrative expenses, \$7,340,000, including not to exceed \$700 for newspapers (Government Corporations Appropriations Act, 1947, 60 Stat. 587).

COMMODITY CREDIT CORPORATION

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$8,760,000 shall be available for administrative expenses of the Corporation, including not to exceed \$400 for periodicals, maps, and newspapers, and not to exceed \$30,000 for penalty mail: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That the Secretary of the Treasury is hereby

authorized and directed to discharge \$921,456,561 of the indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by canceling notes in such amount issued by the Corporation to the Secretary of the Treasury pursuant to section 4 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-4) (Government Corporations Appropriations Act, 1947, 60 Stat. 593).

FISCAL YEAR 1948

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For expenses necessary to enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), and the provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1281-1407) (except the provisions of sections 201, 202, 303, 381, and 383 and the provisions of titles IV and V), including personal services in the District of Columbia; not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$228,000,000, to remain available until December 31, 1948, for compliance with programs under said provisions of the Agricultural Adjustment Act of 1938, as amended, and the Act of February 29, 1936, as amended, pursuant to the provisions of the 1947 programs carried out during the period July 1, 1946, to December 31, 1947, inclusive: *Provided*, That not to exceed \$24,500,000 of the total sum provided under this head shall be available during the current fiscal year, for salaries and other administrative expenses for carrying out such programs, including the peanut-marketing quota program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$7,080,813 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of the Act of March 4, 1909, as amended (18 U. S. C. 80): *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order No. 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State or county information employees, but this shall not preclude the answering of inquiries or supplying of information to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1948 programs (amounting to \$150,000,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary: *Provided further*, That the proportion allocated to any State shall not be reduced more than 15 per

centum from the 1946 distribution and that no participant shall receive more than \$500) of soil-building practices and soil- and water-conservation practices, under the Act of February 29, 1936, as amended, and programs under the Agricultural Adjustment Act of 1938, as amended; but the payments or grants under such program shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made, in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committee appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended for the respective States: *Provided further*, That the Secretary may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of said Office in auditing payments under this item: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That the Secretary is authorized and directed to make payments to farmers who complied with the terms and conditions of the agricultural conservation programs, formulated pursuant to sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, if the Secretary determines that, because of induction into the armed forces of the United States, such farmers failed to file, or were prevented from filing, applications for payment under any such program during the period the applicable appropriation for such program was available for obligation, such payments to be made out of the unobligated balance of the appropriation, "Conservation and use of agricultural land resources," in the Department of Agriculture Appropriation Act, 1946: *Provided further*, That an application for payment on the prescribed form is filed by any such farmer (or the person entitled to payment in case of death, disappearance, or incompetency of the farmer under regulations issued pursuant to section 385 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., 1940 edition, 1385)) within 1 year from the date of his discharge from the armed forces, or by December 31, 1947, whichever is later: *And provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of section 6 of the Act of July 11, 1919 (18 U. S. C. 201), to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (Department of Agriculture Appropriation Act, 1948, 61 Stat. 541).

SUGAR ACT

To enable the Secretary to carry into effect the provisions, other than those specifically relating to the Philippine Islands, of the Sugar Act of 1937, as amended (7 U. S. C. 1100-1183), including personal services in the District of Columbia, \$55,000,000, to remain available until June 30, 1949: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,326,115 (Department of Agriculture Appropriation Act, 1948, 61 Stat. 543).

FEDERAL CROP INSURANCE ACT

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Federal Crop Insurance Corporation for the current fiscal year, namely:

Operating expenses: For operating and administrative expenses, \$5,000,000, including not to exceed \$700 for newspapers.

Subscriptions to capital stock, Federal Crop Insurance Corporation: To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504 of the Federal Crop Insurance Act (7 U. S. C. 1504), \$10,000,000 (Department of Agriculture Appropriation Act, 1948, 61 Stat. 549).

FEDERAL CROP INSURANCE CORPORATION AND COMMODITY CREDIT CORPORATION

The following corporations are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary to carry out the programs set forth in the budget for the current fiscal year for each such corporation, except as hereinafter provided:

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$8,450,000 shall be available for administrative expenses of the Corporation, including not to exceed \$400 for periodicals, maps, and newspapers, and not to exceed \$30,000 for penalty mail: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

Federal Crop Insurance Corporation: *Provided*, That no part of the sums appropriated in section 201 of this title shall be used for any crop insurance operations other than the continuation of the trial crop insurance program, as authorized, and expenses necessary in the liquidation of insurance contracts on the 1947 and prior crops of wheat, cotton, and flax: *Provided further*, That none of the funds herein appropriated shall be used to insure any 1948 or subsequent crop except

wheat in not to exceed 633 counties and flax in not to exceed 87 counties, in accordance with section 508 (a) (1) of the Federal Crop Insurance Act, as amended, and five additional crops in 1948 under the provisions of section 508 (a) (2) of said Act, as amended, including corn and tobacco in not to exceed 50 counties each and cotton in not to exceed 56 counties, unless otherwise provided by legislation (Department of Agriculture Appropriation Act, 1948, 61 Stat. 550).

EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL
COMMODITIES

Notwithstanding any other provision of section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended (7 U. S. C., 1940 edition, 612 (c)), not more than \$44,000,000 shall be available during the fiscal year ending June 30, 1948, for use in effectuating the purposes of that Act. To enable the Secretary to carry out the provisions of the National School Lunch Act of June 4, 1946 (Public Law 396), there is hereby made available \$65,000,000 of the funds appropriated for the fiscal year 1948 by section 32 of the Act approved August 24, 1935 (7 U. S. C. 612 (c)), such amount to be without regard to the 25 per centum limitation contained in said section 32, and to be exclusive of funds expended in accordance with the last sentence of section 9 of the National School Lunch Act: *Provided*, That no part of such funds shall be used for nonfood assistance under section 5 of said Act. The remainder of the fund appropriated by said Act for the fiscal year 1948 is hereby rescinded effective July 1, 1947, and shall be carried to the surplus fund and covered into the Treasury immediately thereafter (Department of Agriculture Appropriation Act, 1948, 61 Stat. 550).

FISCAL YEAR 1949

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

For expenses necessary to enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), and the provisions of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1281-1407) (except the provisions of sections 201, 202, 303, 381, and 383 and the provisions of titles IV and V), including personal services in the District of Columbia; not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$150,000,000, to remain available until December 31, 1949, for compliance with programs under said provisions of the Agricultural Adjustment Act of 1938, as amended, and the Act of February 29, 1936, as amended, pursuant to the provisions of the 1948 programs carried out during the period July 1, 1947, to December 31, 1948, inclusive: *Provided*, That not to exceed \$24,500,000 of the total sum provided under this head shall be available during the current fiscal year, for salaries and other administrative expenses for carrying out such programs, including the tobacco and peanut-marketing quota programs, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$7,000,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*,

That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of the Act of March 4, 1909, as amended (18 U. S. C. 80) : *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order No. 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State or county information employees, but this shall not preclude the answering of inquiries or supplying of information to individual farmers : *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1949 programs (amounting to \$262,500,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary : *Provided further*, That the proportion allocated to any State shall not be reduced more than 15 per centum from the 1946 distribution and that no participant shall receive more than \$750) of soil-building practices and soil- and water-conservation practices, under the Act of February 29, 1936, as amended, and programs under the Agricultural Adjustment Act of 1938, as amended ; but the payments or grants under such program shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made, in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committee appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended for the respective States : *Provided further*, That the Secretary may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of said Office in auditing payments under this item : *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein : *Provided further*, That the Secretary is authorized and directed to make payments to farmers who complied with the terms and conditions of the agricultural conservation programs, formulated pursuant to sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, if the Secretary determines that, because of induction into the armed forces of the United States, such farmers failed to file, or were prevented from filing, applications for payment under any such program during the period the applicable appropriation for such program was available for obligation, such payments to be made out of the unobligated balance of the appropriation, "Conservation and use of agricultural land resources,"

in the Department of Agriculture Appropriation Act, 1946: *Provided further*, That an application for payment on the prescribed form is filed by any such farmer (or the person entitled to payment in case of death, disappearance, or incompetency of the farmer under regulations issued pursuant to section 385 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., 1940 edition, 1385)) within 1 year from the date of his discharge from the armed forces, or by December 31, 1948, whichever is later: *And provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of section 6 of the Act of July 11, 1919 (18 U. S. C. 201), to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (Department of Agriculture Appropriation Act, 1949, 62 Stat. 525).

SUGAR ACT

To enable the Secretary to carry into effect the provisions of the Sugar Act of 1948, approved August 8, 1947 (Public Law 388), including such amount as is required to complete payments under the Sugar Act of 1937, as amended (7 U. S. C. 1100-1183), \$72,000,000, to remain available until June 30, 1950: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,385,545 (Department of Agriculture Appropriation Act, 1949, 62 Stat. 526).

EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL COMMODITIES

Not to exceed \$500,000 of the appropriation made available by section 32 of the Act of August 24, 1935 (7 U. S. C. 612 (c)), shall be used to pay any subsidy, benefit, or indemnity to manufacturers of or dealers in insulation products (Department of Agriculture Appropriation Act, 1949, 62 Stat. 526).

FEDERAL CROP INSURANCE ACT

The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Federal Crop Insurance Corporation for the current fiscal year, namely:

Operating expenses: For operating and administrative expenses, \$3,725,000, including not to exceed \$700 for newspapers, together with the unobligated balance of the appropriation for this purpose for fiscal year 1948 which shall be available to complete the orderly liquidation of the 1947 and prior crop year programs (Department of Agriculture Appropriation Act, 1949, 62 Stat. 531).

COMMODITY CREDIT CORPORATION

The following corporations are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary to carry out the programs set forth in the budget for the current fiscal year for each such corporation, except as hereinafter provided:

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$7,575,000 shall be available for administrative expenses of the Corporation, including not to exceed \$400 for periodicals, maps, and newspapers: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof (Department of Agriculture Appropriation Act, 1949, 62 Stat. 531).

FISCAL YEAR 1950

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

To enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), including personal services in the District of Columbia; not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; and for the replacement of one passenger motor vehicle for use of the Production and Marketing Administration; \$257,043,439, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, 1949, carried out during the period July 1, 1948, to December 31, 1949, inclusive: *Provided*, That not to exceed \$25,846,439 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,200,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States

Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order No. 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1950 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$300,000,000, of which not to exceed \$15,000,000 may be used for acreage allotments and marketing quotas, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 per centum from the 1946 distribution, and no participant shall receive more than \$2,500); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, for the respective States: *Provided further*, That the Secretary may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of said office in auditing payments under this head: *Provided further*, That the county agricultural conservation committee in any county with the approval of the State committee may allot not to exceed 5 per centum of its allocation for the agricultural conservation program to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program and the funds so allotted shall be utilized by the Soil Conservation Service for technical and other assistance in such county: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a

Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (Department of Agriculture Appropriation Act, 1950, 63 Stat. 341).

ACREAGE ALLOTMENTS AND MARKETING QUOTAS

To enable the Secretary to formulate and carry out acreage allotment and marketing quota programs pursuant to the provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), including personal services in the District of Columbia, \$30,150,774, of which not more than \$5,270,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938" (Department of Agriculture Appropriation Act, 1950, 63 Stat. 343).

SUGAR ACT

To enable the Secretary to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), \$60,000,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,493,723 (Department of Agriculture Appropriation Act, 1950, 63 Stat. 343).

EXPORTATION AND DOMESTIC CONSUMPTION OF AGRICULTURAL COMMODITIES

Not to exceed \$150,000 of the appropriation made available by section 32 of the Act of August 24, 1935 (7 U. S. C. 612 (c)), shall be used to pay any subsidy, benefit, or indemnity to manufacturers of or dealers in insulation products (Department of Agriculture Appropriation Act, 1950, 63 Stat. 343).

FEDERAL CROP INSURANCE ACT

Operating expenses: For operating and administrative expenses, and not to exceed \$700 for newspapers, \$4,054,000 (Department of Agriculture Appropriation Act, 1950, 63 Stat. 346).

FEDERAL CROP INSURANCE CORPORATION AND COMMODITY CREDIT CORPORATION

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1950 for each such corporation or agency, except as hereinafter provided:

Federal Crop Insurance Corporation.

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$12,000,000 shall be available for adminis-

trative expenses of the Corporation and not to exceed \$400 for periodicals, maps, and newspapers: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof (Department of Agriculture Appropriation Act, 1950, 63 Stat. 346).

FISCAL YEAR 1951

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

To enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$282,500,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, 1950, carried out during the period July 1, 1949, to December 31, 1950, inclusive: *Provided*, That not to exceed \$25,500,000 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$5,000,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order No. 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1951 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$285,000,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the pro-

portion allocated to any State shall not be reduced more than 15 per centum from the distribution for the next preceding program year, and no participant shall receive more than \$2,500); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the agricultural conservation program for any county may be allotted with the approval of the State committee to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program and the funds so allotted shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such county: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (Department of Agriculture Appropriation Act, 1951, 64 Stat. 670).

ACREAGE ALLOTMENTS AND MARKETING QUOTAS

To enable the Secretary to formulate and carry out acreage allotment and marketing quota programs pursuant to the provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), \$32,300,000, of which not more than \$5,500,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided*, That \$4,000,000 of this appropriation shall be placed in reserve pending determination by the Secretary as to necessity of marketing quotas on the 1951 crops of wheat, corn, and rice, to be released in such amounts and at such times as determined by the Bureau of the Budget to be necessary in connection with such marketing quotas (Department of Agriculture Appropriation Act, 1951, 64 Stat. 671).

SUGAR ACT

To enable the Secretary to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), \$63,750,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,500,000 (Department of Agriculture Appropriation Act, 1951, 64 Stat. 671).

FEDERAL CROP INSURANCE ACT

For operating and administrative expenses, \$7,204,000 (Department of Agriculture Appropriation Act, 1951, 64 Stat. 673).

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1951 for such corporation or agency, except as hereinafter provided:

Federal Crop Insurance Corporation (Department of Agriculture Appropriation Act, 1951, 64 Stat. 677).

COMMODITY CREDIT CORPORATION

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1951 for such corporation or agency, except as hereinafter provided:

Commodity Credit Corporation: Nothing in this chapter shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$16,350,000 shall be available for administrative expenses of the Corporation: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That the Secretary of the Treasury is hereby authorized and directed to discharge \$66,698,457 of the indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by canceling notes in such amount issued by the Corporation to the Secretary of the Treasury pursuant to section 4 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-4) (Department of Agriculture Appropriation Act, 1951, 64 Stat. 677).

FISCAL YEAR 1952

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

To enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$260,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, 1951, carried out during the period July 1, 1950, to December 31, 1951, inclusive: *Provided*, That not to exceed \$25,250,000 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$4,966,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order No. 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1952 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$256,500,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 per centum from the distribution for the next preceding program year, and no participant shall receive more than \$2,500); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended

(16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and the funds so allotted may be placed in a single account for each State, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (Department of Agriculture Appropriation Act, 1952, 65 Stat. 236).

AGRICULTURAL PRODUCTION PROGRAMS

To enable the Secretary to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), including the measurement of the acreage planted to cotton on the farms whether or not marketing quotas are in effect, providing that not more than \$1,000,000 shall be available for this purpose, and to provide assistance in obtaining equipment, materials, and facilities necessary to attain needed production of agricultural commodities, \$10,000,000, of which not more than \$2,800,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938" (Department of Agriculture Appropriation Act, 1952, 65 Stat. 238).

SUGAR ACT

To enable the Secretary to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), \$70,000,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,500,000 (Department of Agriculture Appropriation Act, 1952 (65 Stat. 238)).

INTERNATIONAL WHEAT AGREEMENT

To discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury for the net costs during the fiscal year 1950 under the International Wheat Agreement Act of 1949 (7 U. S. C. 1641-1642), \$76,808,000 (Department of Agriculture Appropriation Act, 1952, 65 Stat. 244).

FEDERAL CROP INSURANCE ACT

For operating and administrative expenses, \$7,949,911 (Department of Agriculture Appropriation Act, 1952, 65 Stat. 239).

FEDERAL CROP INSURANCE CORPORATION AND COMMODITY CREDIT CORPORATION

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1952 for such corporation or agency, except as hereinafter provided:

Federal Crop Insurance Corporation.

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$16,500,000 (and the amount in the last proviso in this paragraph is increased to \$2,500,000) shall be available for administrative expenses of the Corporation: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That the Secretary of the Treasury is hereby authorized and directed to discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by canceling notes issued by the Corporation to the Secretary of the Treasury in the amount of the capital impairment determined by the appraisal of June 30, 1950 (but not to exceed \$427,000,000), pursuant to sections 1 and 4 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-1, 4): *Provided further*, That \$1,000,000 of this appropriation shall be placed in reserve, to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may become necessary due to the existence of substantial surpluses of the basic commodities requiring mandatory price support (Department of Agriculture Appropriation Act, 1952, 65 Stat. 244).

FISCAL YEAR 1953

CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES

To enable the Secretary to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; \$251,754,142, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture Appropriation Act, 1952, carried out during the period July 1, 1951, to December 31, 1952, inclusive, of which amount \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided*, That not to exceed \$26,754,142 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than \$4,966,000 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order No. 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1953 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 per centum from the distribution for the next preceding program year, and no participant shall receive more than \$2,500); but the payments or grants under such programs shall be

conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State Committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and the funds so allotted may be placed in a single account for each State, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties: *Provided further*, That not to exceed 2½ per centum of the allocation for the agricultural conservation program for any State may be utilized in determining the most needed conservation practices on individual farms for which Federal assistance shall be given: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities," approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 346).

AGRICULTURAL PRODUCTION PROGRAMS

To enable the Secretary to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), and to provide assistance in obtaining equipment, materials, and facilities necessary to attain needed production of agricultural commodities, \$10,000,000, of which not more than \$3,000,000 shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938." (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 348).

SUGAR ACT

To enable the Secretary to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), \$65,000,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed \$1,500,000 (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 348).

INTERNATIONAL WHEAT AGREEMENT

The Secretary of the Treasury is hereby authorized and directed to discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury by cancelling notes issued by the Corporation to the Secretary of the Treasury in the amount of \$182,162,250 for the net costs during the fiscal year 1951 under the International Wheat Agreement Act of 1949 (7 U. S. C. 1641-1642) (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 355).

FEDERAL CROP INSURANCE CORPORATION

For operating and administrative expenses, \$8,500,000 (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 349).

FEDERAL CROP INSURANCE CORPORATION AND COMMODITY CREDIT CORPORATION

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year 1953 for such corporation or agency, except as hereinafter provided: Federal Crop Insurance Corporation.

Commodity Credit Corporation: Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$16,500,000 shall be available for administrative expenses of the Corporation: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 353).

GENERAL PROVISIONS OF THE APPROPRIATION ACT, FISCAL YEAR 1953¹

SEC. 401. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 400 passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.

SEC. 402. Provisions of law prohibiting or restricting the employment of aliens shall not apply to (1) the temporary employment of translators when competent citizen translators are not available; (2) employment in cases of emergency of persons in the field service of the Department for periods of not more than sixty days; and (3) employment under the appropriation for the Office of Foreign Agricultural Relations.

SEC. 403. Of appropriations herein made which are available for the purchase of lands, not to exceed \$1 may be expended for each option to purchase any particular tract or tracts of land.

SEC. 404. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 405. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 406. Not less than \$575,000 shall be available for contracts in accordance with section 10 (a) of the Act of August 14, 1946 (7 U. S. C. 427i) from appropriations herein made for the Bureau of Agricultural Economics; Bureau of Animal Industry; Bureau of Dairy Industry; Bureau of Plant Industry, Soils, and Agricultural Engineering; Bureau of Entomology and Plant Quarantine; Bureau of Agricultural and Industrial Chemistry; Bureau of Human Nutrition and Home Economics; and the Forest Service.

SEC. 407. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an

¹ Each of the Department of Agriculture appropriations acts for the fiscal years 1947 to 1952, inclusive, contained general provisions similar to the general provisions of the 1953 fiscal year act.

organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That nothing in this section shall be construed to require an affidavit from any person employed for less than 60 days for sudden emergency work involving the loss of human life or destruction of property, the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.

SEC. 408. No part of any appropriation contained in this Act or of the funds available for expenditure by any corporation or agency included in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

SEC. 409. Except for the car officially assigned to the Secretary of Agriculture, no part of any appropriation contained in this Act shall be used to pay the compensation of any civilian employee of the Government whose principal duties consist of acting as chauffeur of any Government-owned passenger motor vehicle (other than a bus or ambulance), unless such appropriation is specifically authorized to be used for paying the compensation of employees performing such duties.

SEC. 410. No part of any appropriation or authorization contained in this Act shall be used to pay the compensation of any incumbent appointed to any civil office or position which may become vacant during the fiscal year beginning on July 1, 1952: *Provided*, That this inhibition shall not apply to—

- (a) not to exceed 25 per centum of all vacancies;
- (b) positions filled from within the department;
- (c) offices or positions required by law to be filled by appointment of the President by and with the advice and consent of the Senate;
- (d) seasonal and casual workers;
- (e) employees in grades CPC 1, 2, and 3;
- (f) employees working in field activities;
- (g) employees paid from funds for research;
- (h) employees of the crop and livestock reporting service;
- (i) employees paid from funds of the Federal Intermediate Credit Banks, Production Credit Corporations, and the Farm Credit Administration except the portion thereof provided by direct appropriation from the General Fund of the Treasury;
- (j) employees paid from funds for marketing services;

- (k) employees of the Rural Electrification Administration;
- (l) employees of the Soil Conservation Service;
- (m) employees of meat inspection and other regulatory services;
- (n) employees of the Forest Service:

Provided further, That when the total number of personnel subject to this section has been reduced to 90 per centum of the total provided for in the budget estimates for 1953, such limitation may cease to apply and said 90 per centum shall become a ceiling for employment during the fiscal year 1953, and if exceeded at any time during fiscal year 1953 this provision shall again become operative.

SEC. 411. (a) No part of the money appropriated by this Act to any department, agency, or corporation which is in excess of 90 per centum of the amount required to pay the compensation of all persons the budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1953 contemplated would be employed by such department, agency, or corporation during such fiscal year in the performance of—

(1) functions performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, photographer, radio expert, television expert, motion picture expert, or publicity expert, or designated by any similar title, or

(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating, or disseminating public information, publications or releases, radio or television scripts, magazine articles, photographs, motion pictures, and similar material,

- shall be available to pay the compensation of persons performing the functions described in (1) or (2), and the total amount of each appropriation, any part of which is available for such purpose, is hereby reduced by an amount equal to 10 per centum of the amount requested in such budget estimates for such purpose.

(b) This section shall not apply to personnel engaged in the preparation and distribution of technical agricultural publications and farmers bulletins, and the Agriculture Yearbook, the reporting and dissemination of the results of research and investigations, the preparation and distribution of information on the protection of natural resources against fire, insects, and disease, the preparation and broadcasting of the "Farm and Home Hour" and similar individual or network radio and television programs, and other work required to carry out the duties and responsibilities of the Department imposed by law other than work intended primarily for press, radio and television services, and popular publications.

SEC. 412. Of the total amount made available in this Act for personal services above basic rates of the civilian personnel, for transportation of things (other than mail), and for travel of civilian employees, the Secretary is authorized and directed on or before September 1, 1952, to cover into the surplus funds of the Treasury, or return to the capital funds affected, sums equal to 10 per centum of the amounts included in the Budget estimates for such purposes, less an amount representing the reduction, if any, between the amount requested for such purpose in the Budget estimates and the amount

appropriated herein for such purpose: *Provided*, That this section shall not apply to—

1. employees working in field activities;
2. employees paid from funds for research;
3. employees of the crop and livestock reporting service;
4. the administrative expense limitations for Federal intermediate credit banks and for production credit corporations, or to the appropriation for the Farm Credit Administration except the portion thereof provided by direct appropriation from the General Fund of the Treasury;
5. employees paid from funds for marketing services;
6. employees of the Rural Electrification Administration;
7. employees of the Soil Conservation Service;
8. employees of meat inspection and other regulatory services;
9. employees of the Forest Service (Department of Agriculture Appropriation Act, 1953, Public Law 451, 82d Cong., approved July 5, 1952, 66 Stat. 355).

MISCELLANEOUS LAWS

EXPLANATORY NOTE

Included in this part of the compilation are four miscellaneous laws which govern or affect certain programs and functions of several agencies of the Department of Agriculture.

Section 22 of the Agricultural Adjustment Act of 1933 authorizes the imposition of quotas and fees on agricultural commodities imported into the United States.

Section 32 of Public Law 320, Seventy-fourth Congress, provides funds for encouraging the exportation and domestic consumption of agricultural commodities and for reestablishing farmers' purchasing power.

The International Wheat Agreement Act of 1949 is implementing legislation with respect to an agreement between 46 countries relating to the annual sale and purchase of nearly 600 million bushels of wheat.

The act of December 20, 1944, authorizes the Secretary of Agriculture to compromise, adjust, or cancel certain debts of farmers to the United States.

PART VII

MISCELLANEOUS LAWS

SECTION 22 OF THE AGRICULTURAL ADJUSTMENT ACT (OF 1933), AS REENACTED AND AMENDED—IMPORTS¹

SEC. 22. (a) Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction, with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he shall so advise the President, and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties, and shall be conducted subject to such regulations as the President shall specify (7 U. S. C. 624 (a)).

(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees not in excess of 50 per centum ad valorem or such quantitative limitations on any article or articles which may be entered, or with-

¹ Section 22 was added to the Agricultural Adjustment Act of 1933 by Public Law 320, Seventy-fourth Congress, approved August 24, 1935 (49 Stat. 773). As originally enacted this section authorized the President to restrict the importations of any agricultural commodity or product whenever he found, after investigation by the Tariff Commission and on the basis of its findings and recommendations made pursuant thereto, that such importations were adversely affecting programs or operations under the Agricultural Adjustment Act of 1933. Section 22 has been amended several times and the President is now authorized to impose quantitative restrictions (quotas) and fees on any agricultural commodity or product whenever he finds, pursuant to appropriate proceedings by the Tariff Commission, that imports of such commodity or product adversely affect or seriously threaten any program or operation undertaken by the Department of Agriculture. The Secretary of Agriculture has the responsibility of advising the President regarding the need for action under section 22. In addition, the Secretary of Agriculture is charged with the responsibility of determining the need for emergency action under section 22 with respect to perishable agricultural commodities.

drawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary in order that the entry of such article or articles will not render or tend to render ineffective, or materially interfere with, any program or operation referred to in subsection (a) of this section, or reduce substantially the amount of any product processed in the United States from any such agricultural commodity or product thereof with respect to which any such program or operation is being undertaken: *Provided*, That no proclamation under this section shall impose any limitation on the total quantity of any article or articles which may be entered, or withdrawn from warehouse, for consumption which reduces such permissible total quantity to proportionately less than 50 per centum of the total quantity of such article or articles which was entered, or withdrawn from warehouse, for consumption during a representative period as determined by the President: *And provided further*, That in designating any article or articles, the President may describe them by physical qualities, value, use, or upon such other bases as he shall determine (7 U. S. C. 624 (b)).

(c) The fees and limitations imposed by the President by proclamation under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be therein specified, and such fees shall be treated for administrative purposes and for the purposes of section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international obligation of the United States (7 U. S. C. 624 (c)).

(d) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended or terminated by the President whenever he finds and proclaims that the circumstances requiring the proclamation or provision thereof no longer exist or may be modified by the President whenever he finds and proclaims that changed circumstances require such modification to carry out the purposes of this section (7 U. S. C. 624 (d)).

(e) Any decision of the President as to facts under this section shall be final (7 U. S. C. 624 (e)).

(f) No trade agreement or other international agreement heretofore or hereafter entered into by the United States shall be applied in a manner inconsistent with the requirements of this section (7 U. S. C. 624 (f)).

[PUBLIC LAW 50, Eighty-second Congress. * * * SEC. 8. (a). In any case where the Secretary of Agriculture determines and reports to the President and to the Tariff Commission with regard to any agricultural commodity that due to the perishability of the commodity a condition exists requiring emergency treatment, the Tariff Commission shall make an immediate investigation under the provisions of section 22 of the Agricultural Adjustment Act, as amended, or under the provisions of section 7 of this Act to determine the facts and make recommendations to the President for such relief under those provisions as may be appropriate. The President may take immediate action however, without awaiting the recommendations of the Tariff Commission if in his judgment the emergency requires such

action. In any case the report and findings of the Tariff Commission and the decision of the President shall be made at the earliest possible date and in any event not more than 25 calendar days after the submission of the case to the Tariff Commission.

* * * * *

[SEC. 7. (a). Upon the request of the President, upon resolution of either House of Congress, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon application of any interested party, the United States Tariff Commission shall promptly make an investigation and make a report thereon not later than one year after the application is made to determine whether any product upon which a concession has been granted under a trade agreement is, as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

In the course of any such investigation, whenever it finds evidence of serious injury or threat of serious injury or whenever so directed by resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, the Tariff Commission shall hold hearings giving reasonable public notice thereof and shall afford reasonable opportunity for interested parties to be present, to produce evidence, and to be heard at such hearings.

Should the Tariff Commission find, as the result of its investigation and hearings, that a product on which a concession has been granted is, as a result, in whole or in part, of the duty or other customs treatment reflecting such concession, being imported in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products, it shall recommend to the President the withdrawal or modification of the concession, its suspension in whole or in part, or the establishment of import quotas, to the extent and for the time necessary to prevent or remedy such injury. Within 60 days, or sooner if the President has taken action under subsection (c) of this section, the Tariff Commission shall transmit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives an exact copy of its report and recommendations to the President.

(b) In arriving at a determination in the foregoing procedure the Tariff Commission, without excluding other factors, shall take into consideration a downward trend of production, employment, prices, profits, or wages in the domestic industry concerned, or a decline in sales, an increase in imports, either actual or relative to domestic production, a higher or growing inventory, or a decline in the proportion of the domestic market supplied by domestic producers.

(c) Upon receipt of the Tariff Commission's report of its investigation and hearings, the President may make such adjustments in the rates of duty, impose such quotas, or make such other modifications as are found and reported by the Commission to be necessary to prevent or remedy serious injury to the respective domestic industry.

If the President does not take such action within 60 days he shall immediately submit a report to the Committee on Ways and Means of the House and to the Committee on Finance of the Senate stating why he has not made such adjustments or modifications, or imposed such quotas.

(d) When in the judgment of the Tariff Commission no sufficient reason exists for a recommendation to the President that a concession should be withdrawn or modified or a quota established, it shall make and publish a report stating its findings and conclusions (Trade Agreements Extension Act of 1951, 65 Stat. 74).]

SECTION 32 OF PUBLIC LAW NO. 320, SEVENTY-FOURTH CONGRESS *

SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936 an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year. Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce or by increasing their utilization through benefits, indemnities, donations or by other means, among persons in low-income groups as determined by the Secretary of Agriculture; and (3) reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. Determinations by the Secretary as to what constitutes diversion and what constitutes normal channels of trade and commerce and what constitutes normal production for domestic consumption shall be final.

The sums appropriated under this section shall be expended for such one or more of the above-specified purposes, and at such times, in such manner, and in such amounts as the Secretary of Agriculture finds will effectuate substantial accomplishment of any one or more of the purposes of this section. Notwithstanding any other provision of this

* Basically, the purposes of section 32—through payments or indemnities to encourage the exportation and domestic consumption of agricultural commodities and products and to reestablish farmers' purchasing power in connection with the normal production of agricultural commodities—remain as originally enacted in 1935 (49 Stat. 774). Authority to encourage consumption of Agricultural commodities and products by their utilization among persons in low-income groups was added by amendment of clause (2) in 1939 (53 Stat. 975). The Agricultural Act of 1948 (62 Stat. 1257) amended the section to remove fiscal year restrictions from the expenditure of up to \$300,000,000 of funds remaining unexpended at the end of any fiscal year. The Agricultural Act of 1949 (63 Stat. 1057) required use of section 32 funds principally for certain perishable nonbasic agricultural commodities and their products. Section 32 funds may be used (1) to purchase agricultural commodities and products and to donate them for relief purposes (15 U. S. C., sec. 713c); and (2) to donate commodities to schools for utilization in the National School Lunch Program (42 U. S. C., sec. 1758).

section, the amount that may be devoted, during any fiscal year after June 30, 1939, to any one agricultural commodity or the products thereof in such fiscal year, shall not exceed 25 per centum of the funds available under this section for such fiscal year. The sums appropriated under this section shall be devoted principally to perishable nonbasic agricultural commodities (other than those designated in title II of the Agricultural Act of 1949) and their products. The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over \$300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690 of the Revised Statutes (U. S. C., title 31, sec. 712), and section 5 of the Act entitled "An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June thirtieth, eighteen hundred and seventy-five and for other purposes (U. S. C., title 31, sec. 713)" (7 U. S. C. 612 (c)).

[PUBLIC LAW 393, Seventy-sixth Congress. SEC. 1. Any part of the funds not to exceed \$1,500,000 per year, transferred by the Secretary of Agriculture to the Federal Surplus Commodities Corporation created under and to carry out the provisions of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may also be used by such Corporation for the purpose of diverting surplus fishery products (including fish, shellfish, mollusks, and crustacea) from the normal channels of trade and commerce by acquiring them and providing for their distribution through Federal, State, and private relief channels: *Provided*, That none of the funds made available to the Federal Surplus Commodities Corporation under this Act shall be used to purchase any of the commodities designated in this Act which may have been produced in any foreign country. The provisions of law relating to the acquisition of materials or supplies for the United States shall not apply to the acquisition of commodities under this Act (15 U. S. C. 713c-2).]

SEC. 2. (a) From the fund authorized to be transferred by section 1 hereof, the Secretary of Agriculture is authorized to transfer to the Secretary of the Interior sums as follows to be maintained in a separate fund, \$75,000, which shall be used by the Secretary of the Interior to promote the free flow of domestically produced fishery products in commerce by conducting a fishery educational service; and \$100,000, which shall be used by the Secretary of the Interior to develop and increase markets for fishery products of domestic origin (15 U. S. C. 713c-3).]

INTERNATIONAL WHEAT AGREEMENT ACT OF 1949 *

SEC. 1. This act shall be known as the "International Wheat Agreement Act of 1949."

* The International Wheat Agreement is a contractual arrangement between the governments of four wheat-exporting countries and some 42 wheat-importing countries involving the annual trade of 580,916,690 bushels of wheat, over a period of 4 years beginning August 1, 1949, within a fixed range of prices. The agreement was ratified by the President with the advice and consent of the Senate (Executive M, 81st Cong., 1st sess.). The International Wheat Agreement Act of 1949 is implementing legislation authorizing the necessary action to carry out the terms of this treaty.

SEC. 2. The President is hereby authorized, acting through the Commodity Credit Corporation, to make available or cause to be made available, notwithstanding the provisions of any other law, such quantities of wheat and wheat-flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States under the International Wheat Agreement of 1949 signed by Australia, Canada, France, the United States, and Uruguay, and certain wheat importing countries (hereinafter called "International Wheat Agreement"). Nothing herein shall be construed to preclude the Secretary of Agriculture, in carrying out programs to encourage the exportation of agricultural commodities and products thereof pursuant to section 32 of Public Law 320, Seventy-fourth Congress, as amended, from utilizing funds available for such programs in such manner as, either separately or jointly with the Commodity Credit Corporation, to exercise the rights, obtain the benefits, and fulfill all or any part of the obligations of the United States under the International Wheat Agreement or to preclude the Commodity Credit Corporation in otherwise carrying out wheat and wheat-flour export programs as authorized by law. Nothing contained herein shall limit the duty of the Commodity Credit Corporation to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business to utilize the usual and customary channels, facilities, and arrangements of trade and commerce in making available or causing to be made available wheat and wheat-flour hereunder. The pricing provisions of section 112 (e) of the Economic Cooperation Act of 1948 and section 4 of the Act of July 16, 1943 (57 Stat. 566), shall not be applicable to domestic wheat and wheat-flour supplied to countries which are parties to the International Wheat Agreement and credited to their guaranteed purchases thereunder on and after August 1, 1949, and up to and including June 30, 1950. Where prices in excess of the International Wheat Agreement prices have been paid for such wheat and wheat-flour financed by the Economic Cooperation Administration on or after August 1, 1949, and up to and including June 30, 1950, the Secretary of Agriculture or Commodity Credit Corporation is authorized to reimburse the Economic Cooperation Administration for such excess amounts. Funds realized from such reimbursement shall revert to the respective appropriation or appropriations from which funds were expended for the procurement of such wheat and wheat-flour. There are hereby authorized to be appropriated such sums as may be necessary to make payments to the Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions hereunder. The Commodity Credit Corporation is hereby authorized in carrying out its functions hereunder to utilize, in advance of such appropriations or payments, any assets available to it (7 U. S. C. 1641).

SEC. 3. (a) The President is hereby further authorized to take such other action, including prohibiting or restricting the importation or exportation of wheat or wheat-flour and to issue such rules or regulations which shall have the force and effect of law, as may be necessary in his judgment in the implementation of the International Wheat Agreement (7 U. S. C. 1642 (a)).

(b) All persons exporting or importing wheat or wheat-flour or selling wheat or wheat-flour for export shall report to the President

such information as he may from time to time require and keep such records as he finds to be necessary to enable him to carry out the purposes of this Act. Such information shall be reported and such records shall be kept in accordance with such regulations as the President may prescribe. For the purposes of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the President is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as are relevant to transactions under the International Wheat Agreement and are within the control of any such person (7 U. S. C. 1642 (b)).

(c) Any person failing to make any report or keep any record as required by or pursuant to this section 3, or making any false report or record or knowingly violating any rule or regulation of the President issued pursuant to this section 3 shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$1,000 for each violation (7 U. S. C. 1642 (c)).

(d) Any person who knowingly and willfully exports wheat or wheat-flour from the United States, or who knowingly and willfully imports wheat or wheat-flour into the United States for consumption therein, in excess of the quantity of wheat or wheat-flour permitted to be exported or imported, as the case may be, under regulations issued by the President shall forfeit to the United States a sum equal to two times the market value at the time of the commission of any such act, of the quantity of wheat or wheat-flour by which any such exportation or importation exceeds the authorized amount which forfeiture shall be recoverable in a civil suit brought in the name of the United States (7 U. S. C. 1642 (d)).

(e) The district courts of the United States and the District Court of the United States for the District of Columbia shall have jurisdiction of violations of this Act or the rules and regulations thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by this Act or the rules and regulations thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by this Act or rules and regulations thereunder, or to enjoin any violation of such Act or rules and regulations, may be brought in any such district wherein the defendant is found or is a resident or transacts business. The remedies, fines, and forfeitures provided for in this Act shall be in addition to, and not exclusive of, any of the remedies, fines, and forfeitures under existing law (7 U. S. C. 1642 (e)).

(f) Any power, authority, or discretion conferred on the President by this Act may be exercised through such department, agency, or officer of the Government as the President may direct, and shall be exercised in conformity with such rules or regulations as he may prescribe (7 U. S. C. 1642 (f)).

(g) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including the necessary expenses and contributions of the United States in connection with the administration of the International Wheat Agreement (7 U. S. C. 1642 (g)).

(h) Funds appropriated under authority of this Act may be used for the purchase or hire of passenger motor vehicles, for printing and

binding, for rent and personal services in the District of Columbia and elsewhere without regard to the limitation contained in section 607 (g) of the Federal Employees Pay Act of 1945, as amended,⁴ and for the employment of experts or consultants or organization thereof, on a temporary basis, by contract or otherwise, without regard to the Classification Act, at rates not in excess of \$50 per diem (7 U. S. C. 1642 (h)).

(i) The functions exercised under authority of this Act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of sections 3 and 10 thereof (7 U. S. C. 1642 (i)).

(j) The term "person" as used in this section shall include the singular and the plural and any individual, partnership, corporation, association, or any other organized group of persons (7 U. S. C. 1642 (j)).

COMPROMISING, ADJUSTING, OR CANCELING DEBTS

ACT OF DECEMBER 20, 1944

The Secretary of Agriculture, hereinafter referred to as the Secretary, is hereby authorized and directed to compromise, adjust, or cancel indebtedness arising from loans and payments made or credit extended to farmers under the provisions of the several Acts of Congress or programs enumerated in section 2: *Provided*, That the Secretary finds, after such investigation as he deems sufficient to establish the facts, that (1) said indebtedness has been due and payable for 5 years or more; (2) the debtor is unable to pay said indebtedness in full and has no reasonable prospect of being able to do so; (3) the debtor has acted in good faith in an effort to meet his obligation; and (4) the principal amount of said indebtedness is not in excess of \$1,000. The Secretary is hereby further authorized at his discretion to cancel and discharge indebtedness arising under said Acts of Congress or programs when the amount of said indebtedness is less than \$10, or the debtor is deceased and there is no reasonable prospect of recovering from his estate, or his whereabouts has remained unknown for two years and there is no reasonable prospect of obtaining collection, or he has been discharged of the indebtedness in any proceeding under the Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States." The compromises, adjustments, or cancellations authorized by this section shall be effected through such agencies, upon such terms and conditions, and subject to such regulations, as the Secretary may prescribe, and the Secretary may delegate the exercise of any such powers and functions to such officers or employees of the Department of Agriculture as he may designate (12 U. S. C. 1150).

SEC. 2. The provisions of this Act shall apply to any indebtedness of farmers arising from loans or payments made or credit extended to them under any of the following Acts or programs: (a) July 1, 1918 (40 Stat. 635); March 3, 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467); April 26, 1924 (43 Stat. 110); February 25, 1927 (44 Stat. 1245); February 28, 1927 (44 Stat., part II, 1251); February 25, 1929 (45 Stat. 1306), as amended May 17, 1929 (46 Stat. 3); March 3, 1930 (46 Stat. 78-79), as amended April 24, 1930 (46

⁴ Sec. 607 (g) was repealed Sept. 12, 1950, 64 Stat. 843.

Stat. 254); December 20, 1930 (46 Stat. 1032), as amended February 14, 1931 (46 Stat. 1160); February 23, 1931 (46 Stat. 1276); January 22, 1932 (47 Stat. 5); March 3, 1932 (47 Stat. 60); February 4, 1933 (47 Stat. 795); February 23, 1934 (48 Stat. 354); June 19, 1934 (48 Stat. 1056); February 20, 1935 (49 Stat. 28); March 21, 1935 (49 Stat. 50); April 8, 1935 (49 Stat. 115) (Executive Order No. 7305); January 29, 1937 (50 Stat. 5); and February 4, 1938 (52 Stat. 27); (b) Agricultural Adjustment Act (of 1933); Bankhead Cotton Act of April 21, 1934, on account of the several cotton tax-exemption certificate pools; Jones-Connally Cattle Act of April 7, 1934; Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934; Kerr Tobacco Act of June 28, 1934, and Public Resolution No. 76, approved March 14, 1936; section 32 of the Act of August 24, 1935, and related legislation; Supplemental Appropriation Act, fiscal year 1936; sections 7 to 17 of the Soil Conservation and Domestic Allotment Act; Sugar Act of 1937; sections 303 and 381 (a) of the Agricultural Adjustment Act of 1938 and related or subsequent legislation authorizing parity or price adjustment payments; title IV and title V of the Agricultural Adjustment Act of 1938 and related legislation; any amendment to any of the foregoing Acts heretofore and any other Act of Congress heretofore enacted authorizing payments to farmers under programs administered through the Agricultural Adjustment Agency; (c) Loans made by or through the Resettlement Administration or the Farm Security Administration out of funds appropriated or made available by or pursuant to the following Acts: April 8, 1935 (49 Stat. 115); June 22, 1936 (49 Stat. 1608); February 9, 1937 (50 Stat. 8); June 29, 1937 (50 Stat. 352); The Bankhead-Jones Farm Tenant Act, July 22, 1937 (50 Stat. 522 et seq.); the Water Facilities Act of August 28, 1937 (50 Stat. 869 et seq.); March 2, 1938 (52 Stat. 83, Public Resolution No. 80); June 21, 1938 (52 Stat. 809); June 30, 1939 (53 Stat. 927); June 26, 1940 (Public Resolution No. 88); flood-restoration loans, Second Deficiency Appropriation Act, 1943 (57 Stat. 537, 542); and subsequent legislation appropriating or making available funds for such loans; commodity loan, purchase, sale, and other programs of the Commodity Credit Corporation; and crop-insurance programs formulated pursuant to title V of the Agricultural Adjustment Act of 1938 (the Federal Crop Insurance Act), and any amendment or supplement thereto heretofore or hereafter enacted. This Act shall also apply to any indebtedness of farmers evidenced by notes or accounts receivable, title to which has been acquired in the liquidation of loans to cooperative associations made under the provisions of the Act of June 15, 1929 (46 Stat. 11) (12 U. S. C. 1150a).

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to enable the Secretary to carry out the provisions of this Act, and the current and subsequent appropriations to enable the Secretary to administer the respective Acts of Congress or programs to which the aforesaid payments or loans or extensions of credit relate shall also be available for the administrative expenses of carrying out this Act (12 U. S. C. 1150 b).

SEC. 4. [Repealed, effective September 1, 1948, by 62 Stat. 862. Provisions of this section are now covered by sections 222 and 1026 of Title 18, U. S. C.]

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